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MILITARY PRESENCE: US PERSONNEL IN NATO EUROPE(U)

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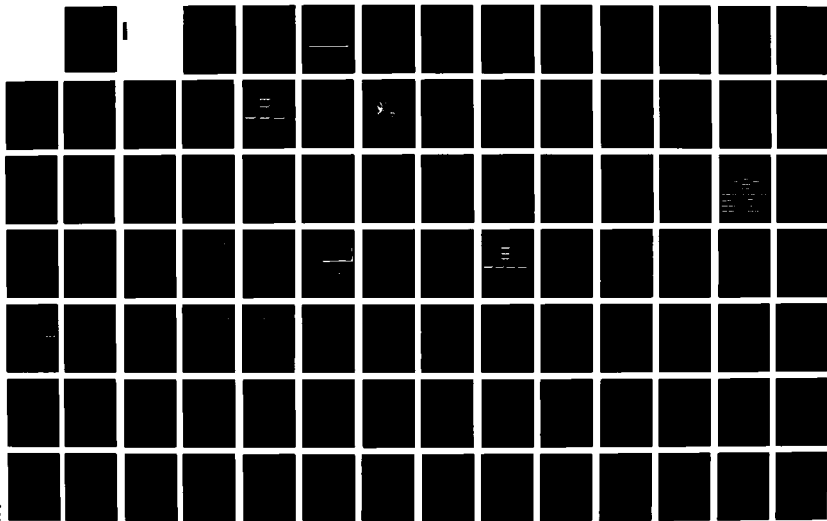
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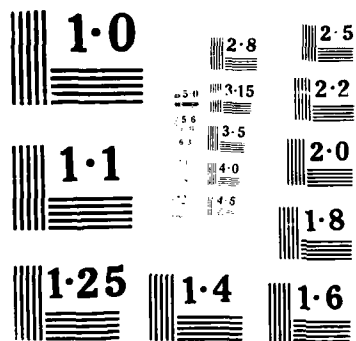
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United States
General Accounting Office
Washington, D.C. 20548

National Security and
International Affairs Division

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October 6, 1989

The Honorable Sam Nunn
Chairman, Committee on
Armed Services
United States Senate

The Honorable Les Aspin
Chairman, Committee on
Armed Services
House of Representatives

The Honorable John W. Warner
Ranking Minority Member
Committee on Armed Services
United States Senate

The Honorable William L. Dickinson
Ranking Minority Member
Committee on Armed Services
House of Representatives



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This report describes the U.S. military presence in NATO Europe—more than 723,000 servicemen and women, U.S. civilian employees, dependents, and foreign national employees in 14 NATO countries, Greenland, and West Berlin. The information in this report on the location and mission of these people should be useful to your Committees in addressing burden sharing issues, the President's proposal to reduce U.S. forces in Europe, and concerns about the costs associated with maintaining U.S. overseas commitments.

We are sending copies of this report to the Secretaries of Defense and State and other appropriate congressional committees. It was prepared under the direction of Joseph E. Kelley, Director, Security and International Relations Issues, who may be contacted on (202) 275-4128 if you or your staff have further questions. Other major contributors to the report are listed in appendix VII.

Frank C. Conahan
Assistant Comptroller General

Executive Summary

Purpose

For the past few years, the Congress has questioned whether the U.S. military presence in Europe can or should be reduced. Most recently, arms reduction talks and the possibility that some agreements will be reached between the United States and the Soviet Union have highlighted the need for information on U.S. forces in Europe. To this end, GAO addressed the following questions to provide certain information that should be useful to the Congress in assessing the U.S. presence in the North Atlantic Treaty Organization (NATO):

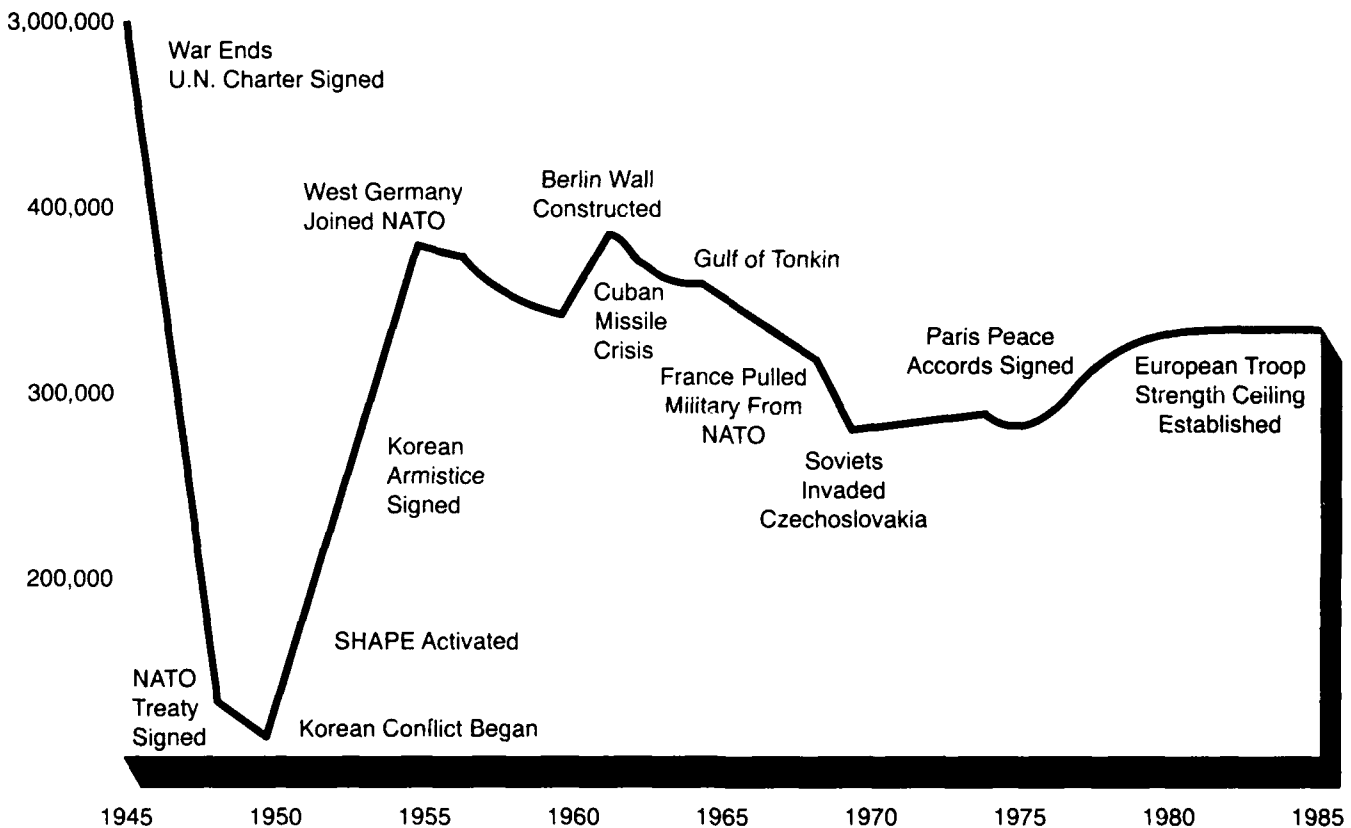
- How many military and civilian personnel are assigned in NATO Europe, and how many dependents are residing with them?
- What military commands, defense agencies, and other defense-related U.S. government organizations are located in NATO Europe; what personnel are assigned to them; and what missions are they performing?

The data in this report should provide a good baseline of historical information to illustrate trends in the numbers of U.S. military personnel, associated civilian personnel, and their dependents; their geographic distribution; and respective missions in NATO Europe.

Background

The United States has maintained a permanent military presence in Europe since the end of World War II. Fear of Soviet expansion into Western Europe led to the signing of the North Atlantic Treaty in 1949 and the subsequent U.S. commitment of military, economic, and political support for Europe. Since then, the number of U.S. troops in Europe has fluctuated from a low of about 116,000 in 1950—prior to the invasion of South Korea—to nearly 400,000, when the Berlin Wall was erected. In 1985, a legislatively mandated ceiling was imposed on the number of U.S. troops that could be assigned in NATO Europe—326,414. This limitation—known as the “European troop strength ceiling”—was the direct result of congressional concern over the number of U.S. troops in Europe and the perception that the NATO allies were not contributing as much as they should to the common defense.

Figure 1: U.S. Military Forces in NATO Europe



As part of its commitment to the defense of Europe, the United States has 4-2/3 divisions of ground forces and 28 tactical fighter squadrons stationed there. European-based forces will be supplemented by U.S.-based air and ground forces in a contingency. Naval forces will also be committed as necessary. These U.S.-based forces and additional naval forces are not limited by or included in the European troop strength ceiling.

Results in Brief

The permanent U.S. military presence in Europe includes not only active duty military personnel (319,000) but also large numbers of U.S. and foreign national civilian employees (150,800) and even larger numbers of dependents (296,000) of the U.S. military personnel and civilian employees. DOD estimated that about 43,000 U.S. civilian employees

were also dependents; thus, the total U.S. military presence is about 723,000 personnel.

Ground forces are at about 175 locations; air forces are at over 30 bases. These and surrounding locations include mission-related facilities such as training and exercise ranges, command and operations centers, and maintenance facilities; mission support facilities for reception, administration, procurement, and supply; and community support facilities such as soldier and family housing, office space, commissaries and other exchange services, schools, day care centers, and other morale and welfare facilities.

About three-quarters of all personnel and dependents are in West Germany. Also, about three-quarters of the military personnel and civilian employees are under the operational control of the U.S. Commander-in-Chief, Europe. The others report to headquarters in the United States.

Principal Findings

The Army is the largest Department of Defense (DOD) component in NATO Europe, with 61 percent or 470,100 of the military and civilian personnel. The Air Force accounts for about 28 percent and the Navy and Marine Corps about 5 percent. DOD Dependents Schools; the Army and Air Force Exchange Service; and six defense agencies, such as the Defense Logistics Agency, have the remaining 5 percent of the personnel assigned to Europe.

Since 1980, Air Force and Navy military resources in NATO Europe have increased. The U.S. Air Forces in Europe grew by about 17 percent, from about 55,000 to 64,600 airmen; Air Force officials cited the fielding of Ground-Launched Cruise Missiles as the primary reason. The U.S. Navy, Europe, experienced an 84 percent increase in the numbers of military personnel (from about 2,000 to 3,700) while decreasing its ground-based Atlantic Fleet presence and increasing the U.S. Navy, Europe, presence. The U.S. Army, Europe, military forces have remained relatively constant since 1980.

All three commands had significant increases in civilian employees. For the U.S. Army, Europe, the 35 percent increase of about 22,500 (to almost 86,400) occurred as a result of converting military positions to civilian positions. U.S. Air Forces in Europe experienced a 13 percent increase (from about 11,200 to 12,700) since 1980 due primarily to fielding the Ground-Launched Cruise Missile units and converting almost 500 military positions to civilian positions. For the Navy, the 23-percent

increase (from about 2,100 to 2,600) was made to improve base operating support and physical security and to support new activities such as child care centers and fitness programs.

The 296,000 dependents of the military and civilian personnel in NATO Europe represent almost 40 percent of the total presence. An estimated 43,000 also work for DOD—about 19,000 work for the U.S. Army, Europe, and about 15,400 work for the Army and Air Force Exchange Service. The large number of dependents add to the need for the complex support infrastructure that the United States maintains in Europe. For example, about 117,000 students attend school at more than 200 DOD Dependents School System facilities in NATO Europe. NATO represents about 85 percent of all DOD Dependents School students; worldwide, the number of students enrolled in DOD schools would make it the ninth largest U.S. school district.

During fiscal year 1987, DOD allocated about \$8.2 billion in budget authority for operations and maintenance, other procurement, military construction, family housing, and other programs to support the military and civilian personnel in NATO Europe. This amount basically represents in-country costs, excluding military salaries and benefits, training, and procurement of new equipment, and does not begin to reflect total costs associated with the NATO commitment. In response to a statutory requirement, DOD prepares an annual estimate of the portion of the Defense budget used to support NATO. In recent years, this estimate has been about 60 percent of its total budget—about \$170 billion in fiscal year 1987. DOD noted, however, that this estimate, which includes allocations of the cost of such items as the development and acquisition of major weapon systems, is arbitrary and analytically indefensible. While total costs of the commitment are difficult to quantify, clearly they are substantial.

Recommendations

GAO's report provides a baseline of historical information to illustrate trends in the numbers of U.S. military personnel, associated civilian personnel, and their dependents; their geographic distribution; and respective missions in NATO Europe. It contains no recommendations.

Agency Comments

DOD expressed serious concern that the numbers contained in GAO's report do not reflect the Department's official manpower data for Europe as provided by the U.S. Commander-in-Chief, Europe, and noted

that GAO's military personnel total of about 319,000 differed with DOD's figure of about 324,700. (See app. VII.)

GAO requested that DOD provide information on the NATO military presence, including numbers of personnel, their unit assignment and mission, and geographic location for an 8-year period. DOD was not able to provide the information requested because its official statistics did not provide the level of detail required. Therefore, GAO contacted multiple sources in DOD, the services, and defense agencies to obtain the data used in its report. Despite the fact that the numbers do not agree precisely with DOD's official statistics, GAO is satisfied that the data it used reasonably portrays the U.S. military presence in Europe.

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Abbreviations

AAFES	Army and Air Force Exchange Service
DOD	Department of Defense
DODI	Department of Defense Dependents Schools
GAO	General Accounting Office
NATO	North Atlantic Treaty Organization
NAVEUR	United States Navy, Europe
USAFE	U.S. Air Forces in Europe
USAREUR	U.S. Army, Europe
USEUCOM	U.S. European Command

Introduction

For the past few years, the Congress has periodically questioned whether the U.S. military presence in Europe can or should be reduced. Recent discussions between North Atlantic Treaty Organization (NATO) and Warsaw Pact forces on conventional and nuclear arms reductions, troop withdrawals, and force modernization require information on the Department of Defense (DOD) components in Europe and their missions. We obtained data on the numbers of U.S. military personnel, U.S. civilian employees, dependents, and foreign national employees; their geographic distribution; and respective missions in NATO Europe. Our review was designed to provide a baseline of historical information and to illustrate trends since 1980.

The U.S. presence in European NATO countries¹ as of September 30, 1987, included 319,000 soldiers, sailors, and airmen; 63,200 U.S. and 87,600 foreign national civilian employees; and 296,000 dependents of military and U.S. civilian personnel. DOD estimated that about 43,000 U.S. civilian employees were also dependents. Thus, the total U.S. presence was about 723,000 U.S. military and associated personnel assigned in 14 NATO countries, Greenland, and West Berlin. About 75 percent of these personnel were in West Germany.

About 78 percent of the military and civilian personnel were assigned to three major components of the European Command (USEUCOM): U.S. Army, Europe (USAREUR), U.S. Air Forces in Europe (USAFE), and U.S. Navy, Europe (NAVEUR). Overall, the European Command's primary role is to provide combat-ready forces in support of NATO Europe. The remaining 22 percent were assigned to 58 other defense agencies and organizations that report to headquarters units located in the United States. Fifty of these organizations (12 Army, 20 Air Force, and 18 Navy) support their respective component commands or provide common services to all military personnel. For example, the Air Force Communications Command provides communications and air traffic control services to Air Force personnel. The remaining organizations include the Army and Air Force Exchange Service (AAFES), the Department of Defense Dependents Schools (DODDS) system, and six defense agencies, such as the Defense Logistics Agency.

¹NATO Europe consists of 14 countries: Belgium, Denmark, France, Greece, Iceland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Turkey, the United Kingdom, and West Germany. Resources located in the Azores, Greenland, and West Berlin are included in this report because U.S. troops assigned there are included in the European troop strength ceiling. The remaining NATO members—Canada and the United States—are not included.

U.S. Military Presence Since World War II

The U.S. military presence in Europe fluctuated considerably after the end of World War II. By 1946, many of the wartime fighting commands had been demobilized, reducing U.S. military strength to 391,000, down from 3 million soldiers, sailors, and airmen in 1945. Fear of Soviet expansion into Western Europe led to the signing of the North Atlantic Treaty in 1949 and subsequent U.S. commitment of military, economic, and political support in Europe. U.S. strength continued to decline, however, reaching a low of 116,000 in 1950. U.S. entrance into the Korean War in June 1950 triggered an increase in European-based troops. Assuming that the Soviet Union had backed the North Korean invasion of South Korea, the Truman administration committed large sums of money and troops not only to the defense of South Korea but also to a military buildup of NATO Europe to prevent Soviet expansion into that part of the world. The number of U.S. troops assigned in and around Europe grew considerably during the 1950s. Through the 1960s and 1970s, certain international events and perceived threats to U.S. security such as the construction of the Berlin Wall and the Soviet invasion of Czechoslovakia influenced the number of U.S. military personnel permanently stationed in Europe.

In recent years, the United States and the Soviet Union have entered into unprecedented arms control negotiations. Agreements have been entered into and others may be within reach. The Intermediate-Range Nuclear Forces Treaty (signed in Dec. 1987) eliminated an entire class of nuclear weapons; the Stockholm Document (adopted in Sept. 1986) allows NATO, Warsaw Pact, and other European nations to observe certain military exercises. Both nations have proposed force reductions in Central Europe and have tentatively agreed to conduct inspections of certain U.S. and Soviet military facilities before treaties are agreed to.

Congressional Interest in the U.S. Presence in Europe

In the 1980s, the number of U.S. military personnel stationed in NATO Europe became a focus of debate in the Congress. Coupled with this concern were the on going nuclear and conventional arms reductions negotiations, proposed troop withdrawals, the improved East-West political climate, U.S. budget and trade deficits, and questions on the need for the large number of overseas bases in light of U.S. base closures.

The Congress has proposed legislation that indicates a continued interest in the U.S. role in supporting NATO. One proposal is to reduce the European troop strength ceiling as a result of the Intermediate-Range Nuclear Forces Treaty. A bill introduced in the Senate places a limit on the ratio of U.S. forces stationed in Europe to other NATO nations in an

attempt to dissuade U.S. allies from making unilateral reductions before an agreement is reached.

Many in the Congress have pointed out that U.S. defense spending (as a percentage of its gross national product) for NATO exceeds defense spending by European member nations. They believed that a more equitable sharing of NATO's defense costs was called for and questioned the U.S. allocation of an annual average of 5.5 percent of its gross domestic product to defense spending, while six NATO nations allocated less than 3 percent.

The Congress began to control the number of U.S. troops permanently stationed in NATO European countries with the Fiscal Year 1983 Defense Appropriations Act. The Fiscal Year 1985 Department of Defense Authorization Act established a permanent European troop strength ceiling limiting shore-based assignments to 326,414 uniformed military personnel, effective September 30, 1985.²

Furthermore, the 1985 DOD Authorization Act requires DOD to prepare an annual estimate of the portion of the Defense budget used to support NATO. DOD estimated that about 60 percent, or \$170 billion, of its annual budget was used for NATO-related activities in fiscal year 1987. The exact amount is difficult to ascertain and depends on how U.S. responsibilities to NATO are defined and what forces are included in a calculation of NATO expenses. In commenting on this report, DOD stated that the costs of national security cannot be isolated on a geographic basis and that the estimate of NATO expenses is arbitrary and analytically indefensible. For example, U.S.-based military units are training to deploy wherever they are needed, including Europe. While the total costs of the commitment are difficult to quantify, it is clear that they are substantial.

Commander-in-Chief, Europe, Manages the European Troop Strength

The U.S. Commander-in-Chief, Europe, commander of the U.S. European Command, is responsible for managing the European troop strength for the Joint Chiefs of Staff and the Secretary of Defense. The Commander-in-Chief allocates the 326,414 positions to the services, considering their authorized personnel strength and mission priorities. These allocations include military personnel assigned to defense agencies (see ch. 5). They have varied very little since 1985. (See table 1.1.)

²Public Law 98-525, the 1985 Department of Defense Authorization Act, September 26, 1984. This legislation does not constrain the number of sailors and marines assigned to ships on duty in the Mediterranean and Eastern Atlantic that are under the operational command and control of the U.S. European Command.

**Table 1.1: European Troop Strength
Allocated to the Services**

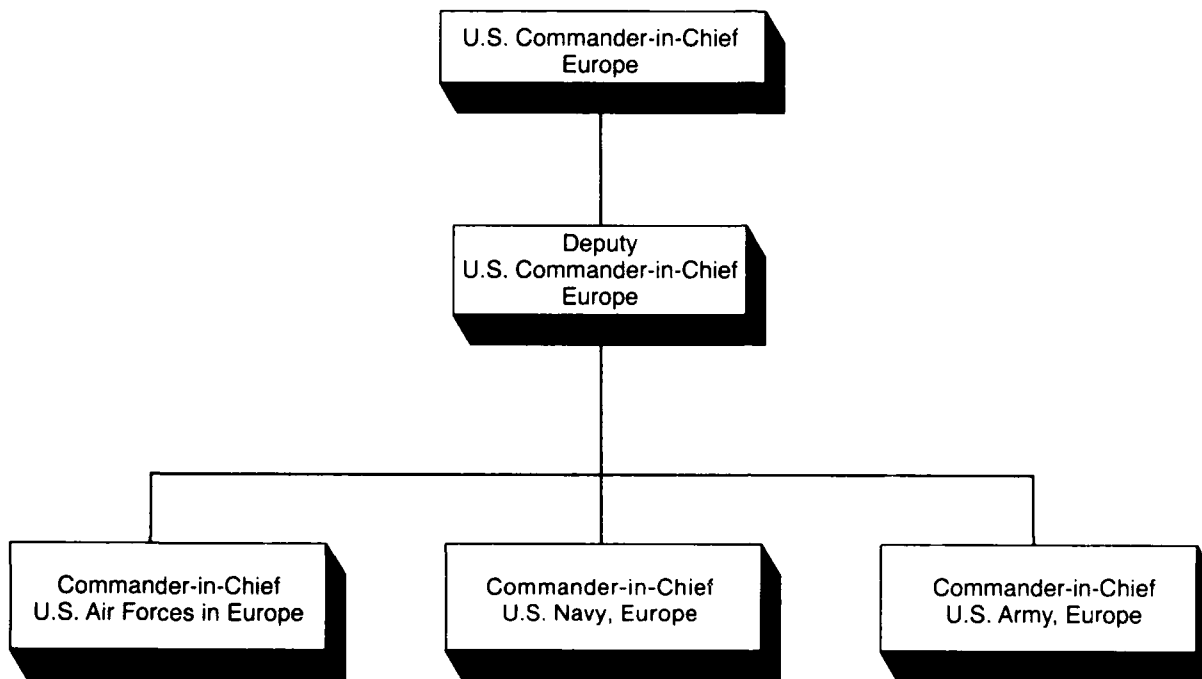
Service	Fiscal Year			
	1985	1986	1987	1988
Army	217,068	216,804	216,809	216,779
Navy	15,033	15,144	15,082	15,051
Air Force	93,144	93,297	93,322	93,352
Marine Corps	1,169	1,169	1,201	1,232
Total	326,414	326,414	326,414	326,414

Using assigned strength data provided by the services' personnel centers, the Commander-in-Chief, Europe, ensures that assigned strength does not exceed the authorized ceiling at the end of the fiscal year. The number of personnel assigned at the end of the fiscal year is referred to as the "end strength." Assigned strength can vary during the year. The European Command reported the end strength on September 30, 1987, to be 326,055, one-tenth of 1 percent less than the authorized ceiling and 2.2 percent more than what the military commands and defense agencies reported to us.

European Command Controls European- Based Troops in Peacetime

Headquartered at Stuttgart-Vaihingen, West Germany, the unified United States European Command has peacetime operational control of 83 percent (about 265,000 troops) of U.S. military forces in Europe. These troops are assigned to the U.S. Army, Europe; U.S. Air Forces in Europe; and U.S. Navy, Europe. (See fig. 1.1.)

Figure 1.1: Command Structure of Headquarters, U.S. European Command



About 54,700 U.S. military personnel, not assigned to these component commands, are also permanently assigned to locations in Europe. Although they are under European Command control while assigned in Europe, their administrative chain of command is to major commands, separate operating activities, or defense agencies headquartered in the United States.

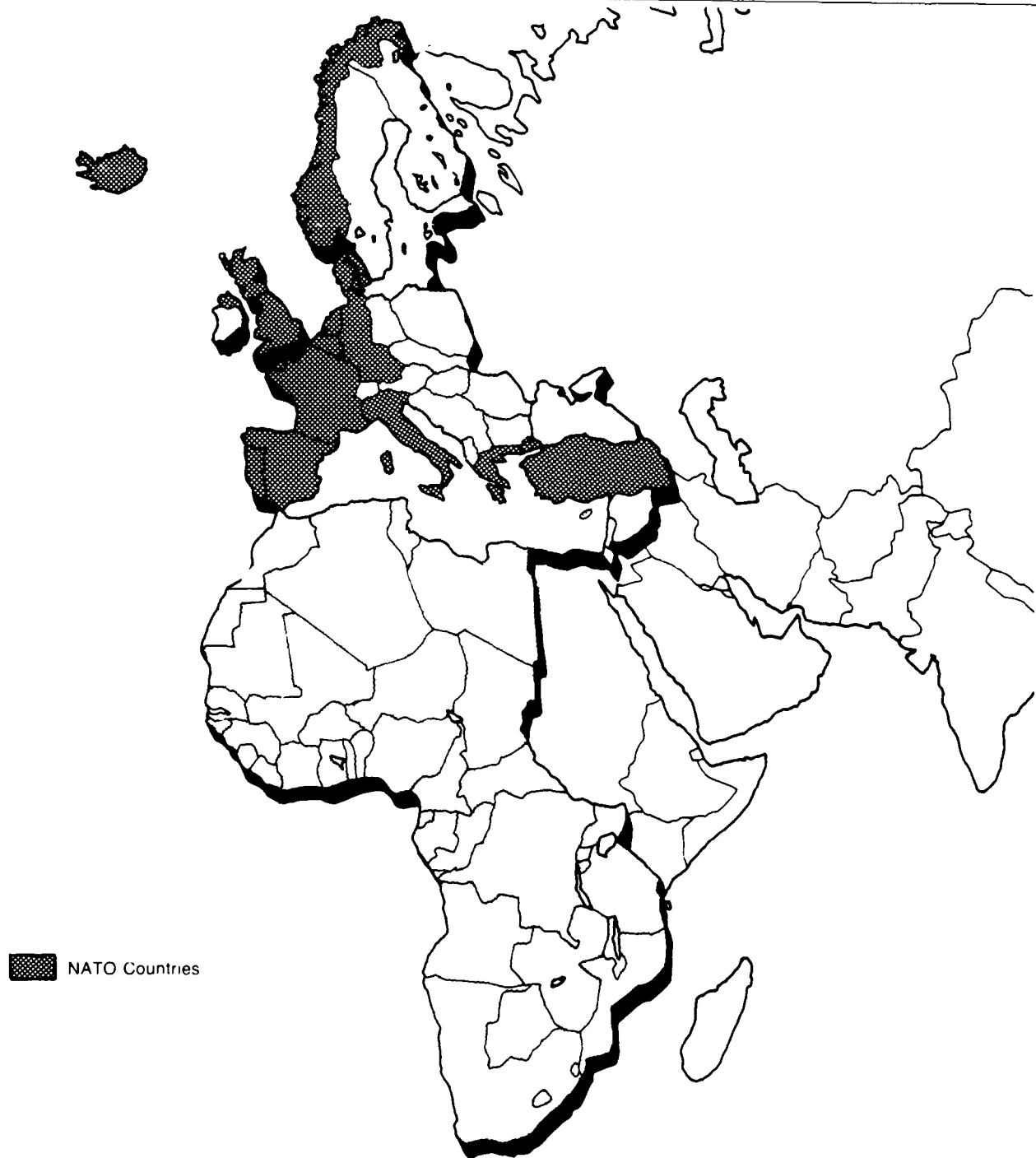
Data provided to us does not distinguish between military forces that would go into combat and those that would provide administrative or logistical support if war broke out. DOD stated that some of the logistical and administrative support personnel would be used for vital wartime duties in the Resource Augmentation Duty program. They would augment combat support areas such as air base ground defense and operability, rapid runway repair, munitions and fuels buildup, and mortuary affairs. Furthermore, European-based forces would be supplemented by U.S.-based air and ground forces in a contingency. Naval forces would also be committed as necessary. These U.S.-based forces and additional naval forces are not limited by or included in the European troop strength ceiling.

As the senior U.S. military command in Europe, the European Command's primary role is to provide combat-ready forces to support NATO, but it also

- develops plans to assist allied and friendly governments with supplies and combat forces;
- helps administer security assistance programs, primarily in the form of foreign military sales, the Military Assistance Program, and international military education and training;
- helps plan for the evacuation of U.S. noncombatants; and
- provides humanitarian relief in the event of disasters.

The Command's area of responsibility covers 77 countries, from Norway to Southern Africa. (See fig. 1.2.)

Figure 1 U.S. European Command's Area of Responsibility



As of September 30, 1987, the services were authorized to assign 1,126 military personnel and 319 civilians to the European Command's headquarters and associated offices. These personnel are included in the European troop strength. The Command's fiscal year 1987 budget authority totaled \$39.6 million.

U.S. Presence in NATO Europe

U.S. forces are assigned to 14 NATO countries, Greenland, and West Berlin. Data provided by the services and commands indicated that the U.S. presence is comprised of 765,912 representatives of U.S. Army, Europe, and 12 Army commands; U.S. Navy, Europe, and 18 Navy commands; U.S. Air Forces in Europe and 20 Air Force commands; 6 defense agencies; the Department of Defense Dependents Schools; and the Army and Air Force Exchange Service. (See tables 1.2 and 1.3.) These numbers are not adjusted for the double counting of those U.S. civilian employees who are also dependents. DOD estimated this number to be about 43,000, reducing the 765,912 total to about 723,000.

As table 1.2 indicates, the military services comprise the largest portion—about 95 percent—of the U.S. presence in NATO Europe. The Army is the largest component, with 61 percent, or 470,100 of the total 766,000 military and civilian personnel. Defense agencies, schools, and stores represent about 5 percent (42,000) of the U.S. presence in NATO Europe; 82 percent are civilian employees.

Dependents of the military and civilian personnel in the service commands represent almost 40 percent of the total military presence. The Navy and Marine Corps support almost as many dependents (17,900) as the total of military and civilian personnel (20,300).

DOD hires foreign national civilian employees to support DOD activities abroad. In NATO Europe, foreign national employees out-number U.S. civilian employees by about 2 to 1 in the military service commands. Defense schools and exchange services, on the other hand, hire a larger ratio of U.S. civilians than foreign nationals.

Chapter 1
Introduction

Table 1.2: U.S. Military Presence in NATO Europe by Country and Organization (As of Sept 30, 1987)

Country	Army									
	Military ^a			Civilian			Dependents			Total Army
	Officer	Enlisted	Total	U.S.	Foreign National	Total	Military	Civilian	Total	
Belgium	102	345	447	124	872	996	601	116	717	2,160
Denmark	2	10	12	0	0	0	21	0	21	33
France	8	0	8	2	0	2	1	0	1	11
Greece	54	354	408	0	2	2	343	0	343	753
Greenland	0	0	0	0	0	0	0	0	0	0
Iceland	0	0	0	0	0	0	0	0	0	0
Italy	374	2,728	3,102	632	1,058	1,690	3,251	295	3,546	8,338
Luxembourg	2	3	5	0	0	0	8	0	8	13
Netherlands	82	346	428	10	84	94	607	0	607	1,129
Norway	0	0	0	0	0	0	0	0	0	0
Portugal ^c	10	38	48	0	0	0	69	0	69	117
Spain	2	6	8	0	0	0	13	0	13	21
Turkey ^c	97	610	707	20	5	25	10	0	10	742
United Kingdom	27	57	84	39	591	630	148	20	168	882
West Germany ^a	19,468	177,502	196,970	30,802	58,038	88,840	151,079	7,299	158,378	444,188
Not identified	516	8,015	8,531	499	1,142	1,641	0	1,512	1,512	11,684
Total	20,744	190,014	210,758	32,128	61,792	93,920	156,151	9,242	165,393	470,071
Percent of total Army personnel			44.84			19.98			35.18	100.00
Percent of total NATO Europe personnel			27.51			12.26			21.59	61.36

Chapter 1
Introduction

Country	Air Force									Total Air Force
	Military			Civilian			Dependents			
	Officer	Enlisted	Total	U.S.	Foreign National	Total	Military	Civilian	Total	
Belgium	336	1,730	2,066	69	159	228	1,506	48	1,554	3,848
Denmark	13	13	26	0	5	5	33	0	33	64
France	13	5	18	2	0	2	40	2	42	62
Greece	189	2,279	2,468	176	605	781	2,350	194	2,544	5,793
Greenland	47	211	258	0	0	0	0	0	0	258
Iceland	139	1,316	1,455	2	72	74	671	0	671	2,200
Italy	598	5,484	6,082	220	916	1,136	5,440	99	5,539	12,757
Luxembourg	0	0	0	0	0	0	0	0	0	0
Netherlands	242	2,196	2,438	80	93	173	2,396	66	2,462	5,073
Norway	36	93	129	0	31	31	214	0	214	374
Portugal ^b	127	1,152	1,279	52	931	983	1,548	0	1,548	3,810
Spain	564	4,607	5,171	338	932	1,270	6,527	238	6,765	13,206
Turkey ^c	388	3,385	3,773	188	646	834	3,366	70	3,436	8,043
United Kingdom	2,611	24,314	26,925	1,354	494	1,848	30,841	871	31,712	60,485
West Germany ^d	5,563	36,007	41,570	2,548	6,397	8,945	47,121	1,786	48,907	99,422
Not identified	23	70	93	0	0	0	103	0	103	196
Total	10,889	82,862	93,751	5,029	11,281	16,310	102,156	3,374	105,530	215,591
Percent of total Air Force personnel			43.49			7.57			48.95	100.00
Percent of total NATO Europe personnel			12.24			2.13			13.78	28.15

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Country	Navy									Total Navy
	Military			Civilian			Dependents			
	Officer	Enlisted	Total	U.S.	Foreign National	Total	Military	Civilian	Total	
Belgium	56	78	134	0	0	0	122	0	122	256
Denmark	5	14	19	0	0	0	14	0	14	33
France	2	1	3	2	0	2	23	1	24	29
Greece	32	526	558	47	139	186	272	17	289	1,033
Greenland	0	0	0	0	0	0	0	0	0	0
Iceland	169	1,413	1,582	91	792	883	1,243	0	1,243	3,708
Italy	652	4,050	4,702	987	1,449	2,436	5,536	949	6,485	13,623
Luxembourg	0	0	0	0	0	0	0	0	0	0
Netherlands	5	5	10	0	3	3	21	0	21	34
Norway	12	24	36	0	0	0	49	0	49	85
Portugal ¹	53	362	415	8	48	56	411	4	415	886
Spain	373	2,540	2,913	416	1,384	1,800	3,587	136	3,723	8,436
Turkey	11	94	105	0	0	0	25	0	25	130
United Kingdom	370	1,961	2,331	368	358	726	4,108	195	4,303	7,360
West Germany ¹	120	144	264	2	4	6	368	1	369	639
Not identified	0	0	0	0	0	0	0	0	0	0
Total	1,860	11,212	13,072	1,921	4,177	6,098	15,779	1,303	17,082	36,252
Percent of total Navy personnel			36.06			16.82			47.12	100.00
Percent of total NATO Europe personnel			1.71			0.80			2.23	4.73

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Country	Marine Corps									Total Marine Corps
	Military			Civilian			Dependents			
	Officer	Enlisted	Total	U.S.	Foreign National	Total	Military	Civilian	Total	
Belgium	9	21	30	0	0	0	29	0	29	59
Denmark	2	7	9	0	0	0	9	0	9	18
France	2	36	38	0	0	0	9	0	9	47
Greece	1	11	12	0	0	0	4	0	4	16
Greenland	0	0	0	0	0	0	0	0	0	0
Iceland	3	96	99	0	0	0	31	0	31	130
Italy	25	251	276	0	0	0	126	0	126	402
Luxembourg	0	7	7	0	0	0	3	0	3	10
Netherlands	2	6	8	0	0	0	8	0	8	16
Norway	9	13	22	0	0	0	28	0	28	50
Portugal ¹	0	12	12	0	0	0	4	0	4	16
Spain	13	173	186	0	0	0	110	0	110	296
Turkey	2	17	19	0	0	0	10	0	10	29
United Kingdom	44	329	373	0	0	0	291	0	291	664
West Germany ²	30	57	87	0	0	0	107	0	107	194
Not identified	0	0	0	0	0	0	0	0	0	0
Total	142	1,036	1,178	0	0	0	769	0	769	1,947
Percent of total Marine Corps personnel			60.50			0			39.50	100.00
Percent of total NATO Europe personnel			0.15			0			0.10	0.25

(continued)

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Country	Defense Agencies*									Total Defense Agencies
	Military			U.S.	Civilian		Dependents			
	Officer	Enlisted	Total		Foreign National	Total	Military	Civilian	Total	
Belgium	0	0	0	0	1	1	0	0	0	1
Denmark	0	0	0	0	4	4	0	0	0	4
France	0	0	0	0	0	0	0	0	0	0
Greece	0	6	6	4	6	10	12	12	24	40
Greenland	0	0	0	1	0	1	0	0	0	1
Iceland	0	0	0	0	3	3	0	0	0	3
Italy	3	17	20	12	23	35	24	15	39	94
Luxembourg	0	0	0	0	0	0	0	0	0	0
Netherlands	0	0	0	1	5	6	0	1	1	7
Norway	0	0	0	0	0	0	0	0	0	0
Portugal	0	0	0	0	3	3	0	1	1	4
Spain	0	10	10	2	20	22	2	2	23	55
Turkey	0	7	7	0	5	5	10	0	10	22
United Kingdom	3	19	22	14	33	47	54	19	73	142
West Germany	42	123	165	178	777	955	316	261	577	1,697
Not Identified	0	0	0	0	0	0	0	0	0	0
Total	48	182	230	212	880	1,092	437	311	748	2,070
Percent of total Defense agency personnel			11.11			52.75			36.14	100.00
Percent of total NATO Europe personnel			0.03			0.14			0.10	0.27

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Country	DOD Dependents Schools									Total DODDS
	Military			Civilian			Dependents			
	Officer	Enlisted	Total	U.S.	Foreign National	Total	Military	Civilian	Total	
Belgium	0	0	0	146	16	162	0	193	193	355
Denmark	0	0	0	0	0	0	0	0	0	0
France	0	0	0	0	0	0	0	0	0	0
Greece	0	0	0	62	9	71	0	47	47	118
Greenland	0	0	0	0	0	0	0	0	0	0
Iceland	0	0	0	66	2	68	0	51	51	119
Italy	0	0	0	470	73	543	0	282	282	825
Luxembourg	0	0	0	0	0	0	0	0	0	0
Netherlands	0	0	0	139	17	156	0	111	111	267
Norway	0	0	0	26	5	31	0	21	21	52
Portugal	0	0	0	58	4	62	0	27	27	89
Spain	0	0	0	376	61	437	0	231	231	668
Turkey	0	0	0	148	20	168	0	93	93	261
United Kingdom	0	0	0	840	83	923	0	613	613	1,536
West Germany	0	0	0	6,165	406	6,571	0	4,859	4,859	11,430
Not identified	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	8,496	696	3,192	0	6,528	6,528	15,720
Percent of total DODDS personnel			0			58.47			41.53	100.00
Percent of total NATO Europe personnel			0			1.20			0.85	2.05

(continued)

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Army and Air Force Exchange Service										
Country	Military			Civilian			Dependents'			Total AAFES
	Officer	Enlisted	Total	U.S.	Foreign National	Total	Military	Civilian	Total	
Belgium	0	0	0	202	0	202	0	0	0	202
Denmark	0	0	0	0	0	0	0	0	0	0
France	0	0	0	0	0	0	0	0	0	0
Greece	0	0	0	163	192	355	0	0	0	355
Greenland	0	0	0	39	0	39	0	0	0	39
Iceland	0	0	0	0	0	0	0	0	0	0
Italy	0	0	0	417	458	875	0	0	0	875
Luxembourg	0	0	0	0	0	0	0	0	0	0
Netherlands	0	0	0	296	0	296	0	0	0	296
Norway	0	0	0	0	0	0	0	0	0	0
Portugal	0	0	0	18	0	18	0	0	0	18
Spain	0	0	0	241	279	520	0	0	0	520
Turkey	0	0	0	66	311	377	0	0	0	377
United Kingdom	0	0	0	1,685	368	2,053	0	0	0	2,053
West Germany	22	9	31	12,286	7,184	19,470	26	0	26	19,527
Not identified	0	0	0	0	0	0	0	0	0	0
Total	22	9	31	15,413	8,792	24,205	26	0	26	24,262
Percent of total AAFES personnel			0.13			99.76			0.11	100.00
Percent of total NATO Europe personnel			0			3.17			0	3.17

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Country	Summary				Percent of total
	Military total	Civilian total	Dependent total	Total ^a	
Belgium	2,677	1,589	2,615	6,881	0.90
Denmark	66	9	77	152	0.02
France	67	6	76	149	0.02
Greece	3,452	1,405	3,251	8,108	1.06
Greenland	258	40	0	298	0.04
Iceland	3,136	1,028	1,996	6,160	0.80
Italy	14,182	6,715	16,017	36,914	4.81
Luxembourg	12	0	11	23	0
Netherlands	2,884	728	3,210	6,822	0.89
Norway	187	62	312	561	0.07
Portugal ^b	1,754	1,122	2,064	4,940	0.64
Spain	8,288	4,049	10,865	23,202	3.03
Turkey	4,611	1,409	3,584	9,604	1.25
United Kingdom	29,735	6,227	37,160	73,122	9.54
West Germany ^c	239,087	124,787	213,223	577,097	75.35
Not identified	8,624	1,641	1,615	11,880	1.55
Total	319,020	150,817	296,076	765,913	100.00
Percent of total NATO Europe personnel	41.65	19.69	38.66	100.00	

Note: Data as of September 30, 1987, was not available for all categories.

^aISAREFIR could not provide assigned military end strengths as of September 30, 1987. The data reported is an estimate, made in February 1988 and verified in October 1988, of what the assigned strength would be at the end of fiscal year 1988.

^bTotals for Portugal include personnel in the Azores.

^cTotals for Turkey include AAFES personnel in Saudi Arabia.

^dWest Germany includes West Berlin.

^eIncludes Defense Communications Agency, Defense Courier Service, DOD Inspector General, Defense Intelligence Agency, Defense Logistics Agency, and Defense Mapping Agency. Complete personnel data is not available for all agencies.

^fData on AAFES dependents was not available.

^gTotal is not adjusted for the DOD estimate of 43,000 U.S. civilian employees who are also dependents.

Table 1.3: U.S. Military and Civilian Personnel by Major Command/Activity
(As of Sept. 30, 1987)

Activity	Military	Civilian	Total	Percent
USAREUR ^a	196,025	86,376	282,401	60.11
Other Army	14,733	7,544	22,277	4.74
USAFE	64,589	12,669	77,258	16.44
Other Air Force	29,162	3,641	32,803	6.98
NAVEUR	3,704	3,880	7,584	1.61
Other Navy	9,368	2,218	11,586	2.47
U.S. Marine Corps	1,178	0	1,178	0.25
Defense agencies	230	1,092	1,322	0.28
DODDS	0	9,192	9,192	1.96
AAFES	31	24,205	24,236	5.16
Total	319,020	150,817	469,837	100.00

^aUSAREUR could not provide detailed data on its military assigned strengths. Total includes the Army's February 1988 estimate of its September 30, 1988, military end strength.

The fiscal year 1987 funding allocated to commands and defense agencies located in NATO European countries totaled \$8.2 billion, of which 80 percent went to operations and maintenance. (See table 1.4.) DOD stated that this amount does not take into account the considerable investment, research and development, recruiting, and training overhead required to support U.S. forces overseas and that the costs of national security cannot be isolated on a geographic basis.

Table 1.4: Funding Allocated to Commands Comprising the U.S. Military Presence in NATO Europe (As of Sept. 30, 1987)

Dollars in millions

Activity	Operations & maintenance	Other procurement	Military construction	Other accounts ^a	Total
USEUCOM	\$23.1	0	0	\$16.5	\$39.6
USAREUR	3,793.3	\$20.4	0	724.2	4,537.9
NAVEUR	175.9	1.7	0	0	177.6
USAFE	1,218.5	105.9	\$101.9	195.4	1,621.7
Marine Corps	0.7	0	0	0	0.7
Other Army	297.7	26.4	315.0	105.2	744.3
Other Navy ^b	157.7	0	0	0	157.7
Other Air Force	344.8	9.3	0	7.5	361.6
Defense agencies ^c	36.6	2.0	0	0.4	39.0
DODDS ^d	490.5	0	0	0	490.5
Total	\$6,538.8	\$165.7	\$416.9	\$1,049.2	\$8,170.6

^aFigures include accounts such as Family Housing Construction, Family Housing Operations and Maintenance, Research and Development, Claims, Industrial Funds, and other accounts supporting the NATO presence.

^bFigures represent estimated civilian personnel pay costs for seven Navy commands.

^cFigures represent budget obligations for the Defense Courier Service's administrative and associated activities' operations and maintenance account and the Defense Mapping Agency's operations and maintenance account because data on budget authority was not available.

^dFigures representing operations and maintenance and other procurement budget authority are combined because one DODDS region could not separate the two types of funding.

Personnel and Budget Trends Since Fiscal Year 1980

Table 1.5 illustrates some of the changes that have occurred in the major European commands' personnel and budgets between fiscal years 1980 and 1987. DOD officials pointed out that since fiscal year 1980, the services' real purchasing power for operations and maintenance increased less than the unadjusted amounts shown in table 1.5. The necessary data to determine the impact of inflation in the United States, changes in foreign currency exchange rates, and inflation in Europe on purchasing power was not readily available. Thus, we presented historical and constant dollars changes only and did not attempt to assess changes in DOD's real purchasing power in Europe. When adjusted using DOD budget authority deflators, the Army's operations and maintenance budget in constant 1980 dollars increased by 67 percent, the Air Force's by 49 percent, and the Navy's by 21 percent.

Table 1.5: Changes in Assigned Personnel and Budgets in the Major European Commands

Dollars in billions

Major service command	Military assigned	Civilian assigned	Dependents	Total ^a	Operations and maintenance budget
U.S. Army, Europe					
1980	199,146	63,874	152,892	415,912	\$1.800
1987	196,025	86,376	155,586	437,987	3.800
Change	-1.6%	35%	2%	5%	111% ^b
Constant 1980 Dollar Change					67%
U.S. Air Forces in Europe					
1980	54,992	11,196	59,876	126,064	0.652
1987	64,589	12,669	70,616	147,874	1.200
Change	17%	13%	18%	17%	84% ^b
Constant 1980 Dollar Change					49%
U.S. Navy, Europe					
1980	2,009	2,109	4,590	8,708	0.139 ^c
1987	3,704	2,594	5,236	11,534	0.176
Change	84%	23%	14%	32%	26% ^d
Constant 1980 Dollar Change					21% ^d

^aTotals are not adjusted for the double counting of U.S. civilian employees who are also dependents.

^bThese increases were not adjusted for inflation or foreign currency fluctuations.

^cAmount represents fiscal year 1985 operations and maintenance dollars, the earliest data the Navy could provide.

^dPercentage is adjusted for comparability with the U.S. Army, Europe, and U.S. Air Forces in Europe in 1980 dollars. When adjusted to 1985 dollars, the change is also 21 percent.

The commands attributed much of these increases to additional mission requirements, force modernization, needed facility improvements, civilianization of military positions, and other initiatives associated with mission changes. The major changes cited by the commands included (1) fielding the Pershing II and the Ground-Launched Cruise Missiles, (2) changing the European Command's area of responsibility to include Africa, (3) implementing and training U.S. forces to support NATO's forward defense strategy, and (4) developing a capability to reinforce NATO by expanding to 10 divisions within 10 days of mobilization.

Objective, Scope, and Methodology

The objective of our review was to provide data and information on the U.S. military presence in NATO Europe as of September 30, 1987, and, when available data allowed, show how the presence had changed since fiscal year 1980. We obtained the available information for 1980

through 1987 on (1) the number of assigned military and civilian personnel and their dependents (both command and non-command sponsored), (2) the identity and location of military units and support activities assigned to NATO Europe, (3) the missions these units are assigned to perform, (4) where DOD personnel are physically located in NATO European countries, and (5) the annual budget authority provided and the funds obligated to support them.

Data required to quantify U.S. presence in NATO Europe was not centrally available. To obtain data, DOD officials directed us to DOD headquarters; Army, Navy, and Air Force headquarters; individual service commands, separate operating agencies, and direct reporting units that maintain a presence in NATO Europe; the Atlantic, Mediterranean, and Germany regions of the Department of Defense Dependents Schools; and the Army and Air Force Exchange Service. Appendix I lists the organizations that supplied information to us.

The European Command oversees U.S. 6th Fleet carrier task forces and other ships deployed to the Mediterranean. However, because these forces are not included in the European troop strength ceiling, we did not identify their missions and resources in this report.

We were unable to obtain the same level of detailed information on all elements of the U.S. presence because the defense agencies, services, and commands do not retain consistent historical resource data. The services provided data from current and historical data bases, manually reconstructed prior years' data from available reports, and extracted data from command histories. Command-level data may differ from country-level data. In many instances, such as the following, we had to mix sources and types of data to construct various elements of the presence:

- The Army could not provide detailed data on command-level assigned military end strengths as of September 30, 1987. The data reported is the Army's estimate, made in February 1988 and verified in October 1988, of what the assigned strength would be at the end of fiscal year 1988. In December 1988, U.S. Army, Europe, provided data on total fiscal year 1987 military and civilian assigned end strengths but could not describe how these numbers had been allocated to its 39 military communities. We used the data provided as of February 1988, which was based on the military communities' allocations.

- The Air Force could not provide data on officer assignments for fiscal year 1980; our trend analysis for the U.S. Air Force presence, therefore, begins at 1981.
- The Commander-in-Chief of the U.S. Navy, Europe, did not have financial data earlier than fiscal year 1985; neither did Navy headquarters.
- Some commands headquartered in the United States with a permanent presence in NATO Europe could not specifically identify the share of their budget authorities allocated to support European operations.

Some duplicate counting was unavoidable. DOD organizations employ people who are dependents of military and civilian personnel assigned in NATO Europe. However, the commands could not identify their employees as dependents of an Army, Navy, or Air Force military member or as dependents of a civilian employee of the services or a civilian agency of the U.S. government. Nevertheless, DOD estimated that 43,000 U.S. civilian employees are also dependents. We adjusted portions of the text to account for the double counting and footnoted tables that identify U.S. civilian employees and dependents.

We did not include military contractor personnel because there was no central source for this data, complicating our retrieval of it. If readily available, the contractor personnel data should have been included as a valid portion of the U.S. military presence. Contractor personnel support the U.S. military presence, and their costs are probably included in the operations and maintenance, military construction, and procurement dollars cited in the report.

Of the funds appropriated for U.S. forces in Europe, a substantial portion is spent in Europe on goods and services priced in various European currencies. In attempting to assess the changes in the purchasing power of these funds, we considered two approaches. The first approach indicates the effect on the U.S. taxpayer; constant dollars are used to remove the effect of U.S. inflation on historical dollar figures. The second approach addresses the changes that occurred in the amount of European goods and services that could be purchased with the funds appropriated. To make this analysis, historical information on U.S. inflation, each European country's inflation and currency exchange rates, and the shares of U.S. defense funds spent in each country is necessary. Although both approaches are meaningful and are complementary, information for the second approach was not readily available. This report, therefore, presents historical dollar figures and constant dollar figures but does not assess the implications for DOD's ability to purchase European goods and services.

When the data we requested was not available, we reported what we were able to obtain with appropriate caveats. We neither verified the data provided to us nor validated the systems from which it was generated because of time and resource constraints. Our review was performed between August 1987 and September 1988 in accordance with generally accepted government auditing standards. We requested comments from the Departments of State and Defense. The Department of State deferred to DOD. We incorporated DOD's comments as appropriate throughout the report. (See app. VI.)

Agency Comments and Our Evaluation

DOD stated that the report does not reflect the Department's official manpower data for Europe as provided by the Commander-in-Chief, Europe. The Department believes that its centralized, top-down methodology offers the most accurate accounting of the troop strength and noted that our military personnel total of about 319,000 differed with its figure of about 324,000.

We agree that the report's statistics differ from DOD's official statistics. In discussions with DOD and service officials, however, the differences could not be reconciled.

At the start of our review, we requested that DOD provide information on the NATO military presence, including numbers of personnel, their unit assignment and mission, and geographic location for an 8-year period. DOD could not provide the data because its official sources did not provide the level of detail required. According to European Command officials, the data maintained by the U.S. Commander-in-Chief, Europe—called the European Troop Strength System—was incomplete and the accuracy of what was available was considered questionable. European Command and Washington-based officials from the services' personnel offices directed us to multiple sources in the United States and Europe to obtain the location-by-location and historical data contained in this report.

DOD questioned our inclusion of foreign national employees, stating that although employed by the Department, they are not a part of the U.S. military presence in Europe. In deciding who to include in the U.S. presence, we included those personnel who directly supported the military mission, were associated with the military presence, and were readily identified in available data. Therefore, we included all permanently stationed military personnel and their dependents and U.S. civilian employees and their dependents. We also included foreign national employees

because they provide critical support to the military mission and fill positions that otherwise would have to be filled by U.S. citizens.

DOD also objected to what it viewed as an inference in our report that the costs of national security interests can be isolated on a geographic basis. In response to a statutory requirement,³ DOD prepares an annual estimate of the portion of the Defense budget used to support NATO. In recent years, this estimate has been about 60 percent of its total budget—about \$170 billion in fiscal year 1987. DOD noted that the law required it to include procurement, research and development, and other investment costs that can and do vary quite independently of U.S. force structure commitments to NATO. We recognize that an accurate and defensible cost estimate is difficult to develop. Because of these difficulties, we used the operations and maintenance type accounts to analyze trends in spending levels.

Finally, DOD questioned our methodology for calculating the growth in purchasing power of the Army and Air Force budget increases. As previously noted, changes in funding level over time can be assessed in two ways: (1) determining the impact on the U.S. taxpayer by removing the effects of inflation from historical dollar figures or (2) analyzing changes that occurred in the amount of European goods and services that could be purchased with the funds appropriated. Although both approaches are meaningful and complementary, the necessary data to support the second approach was not readily available. Therefore, this report presents historical dollar figures and constant dollar figures but does not attempt to assess the implications for DOD's ability to purchase European goods and services. Our purpose was to provide historical trends of expenditures by the military services present in NATO Europe.

³Public Law 98-525, the 1985 Department of Defense Authorization Act, September 26, 1984.

The U.S. Army Dominates European Military Presence

The U.S. Army accounts for about 61 percent of the total U.S. military presence in NATO Europe. As of September 30, 1987, the U.S. Army had personnel in 12 European countries, consisting of 211,000 troops, 94,000 U.S. and foreign national civilian employees, and 165,000 dependents. Adjusting for those U.S. civilian employees who are also dependents brings the total to about 448,500 personnel. The U.S. Army, Europe, commanded about 93 percent of the Army's military and civilian personnel. Twelve independent Army organizations, such as the Army Materiel Command, accounted for the remaining 7 percent located in 10 European countries. DOD allocated about \$5.28 billion in budget authority to support U.S. Army, Europe, and other Army activities in NATO Europe in fiscal year 1987.

The U.S. Army, Europe, is an armored and mechanized infantry fighting force with nuclear-capable ground artillery. It is the major U.S. Army combat element in Europe and a component of NATO's Central Army Group. Almost 80 percent of its military forces are assigned to its six major combat units. The command's mission is to deter war by maintaining combat-ready forces and, if needed, to provide an effective combat force for the defense of Western Europe. Additional responsibilities include planning for contingencies and maintaining the capability to receive and support reinforcement units from the United States. The 12 independent Army organizations provide administrative, logistical, and operational support.

Since 1980, the U.S. Army military presence in Europe has remained steady, while its civilian presence has increased. Its total budget authority increased in then-year dollars from about \$2.3 billion to \$4.5 billion between 1980 and 1987.

Army Personnel Are Assigned to 12 NATO European Countries

U.S. Army military strength represents nearly two-thirds of the 326,414 European troop strength ceiling and of the total U.S. presence. The Army supports a combat force structure of 4-2/3 divisions in Europe. Military and civilian personnel and their dependents are working and living at more than 175 locations in 12 NATO countries. Almost 95 percent are located in West Germany. (See table 2.1.)

Chapter 2
The U.S. Army Dominates European
Military Presence

Table 2.1: U.S. Army Presence in NATO Europe

Country	Military	Civilian ^a	Dependents ^a	Total	Percent
Belgium	447	996	717	2,160	0.46
Denmark	12	0	21	33	0.01
France	8	2	1	11	0.00
Greece	408	2	343	753	0.16
Italy	3,102	1,690	3,546	8,338	1.77
Luxembourg	5	0	8	13	0.00
Netherlands	428	94	607	1,129	0.24
Portugal	48	0	69	117	0.02
Spain	8	0	13	21	0.00
Turkey	707	25	10	742	0.16
United Kingdom	84	630	168	882	0.19
West Germany	196,970	88,840	158,378	444,188	94.49
Not identified	8,531	1,641	1,512	11,684	2.49
Total	210,758	93,920	165,393	470,071	100.00

Note: Data reflects the U.S. Army, Europe's February 1988 estimate of assigned military personnel and civilian dependents for fiscal year 1988. All other data reported is for fiscal year 1987.

^aU.S. Army, Europe, officials estimated that 67 percent of its U.S. civilian employees are also dependents (19,366 personnel). Officials could not identify which military service or U.S. government agency the dependents worked for or which U.S. employee group they were associated with as dependents. DOD agreed that the same percentage could be used for other Army commands located in Europe (2,159 personnel).

U.S. Army, Europe, Controls Most Army Resources in NATO Europe

Just as the U.S. Army controls most of the military resources assigned to NATO Europe, the U.S. Army, Europe, manages most of the Army's personnel and budget allocated to the 13 major commands and separate operating units located there. As of September 30, 1987, U.S. Army, Europe's military and civilian personnel accounted for 93 percent of total Army personnel. U.S. Army, Europe, controlled 78 percent of the total budget. (See tables 2.2 and 2.3.)

Chapter 2
The U.S. Army Dominates European
Military Presence

Table 2.2: Army Commands and Separate Agencies' Personnel Assigned in NATO Europe (As of Sept. 30, 1987)

Command	Military	Civilian	Total	Percent
U.S. Army, Europe ¹	196,025	86,376	282,401	92.69
Information Systems Command	8,639	3,117	11,756	3.90
Intelligence and Security Command	4,478	239	4,717	1.50
Troop Support Agency	118	1,513	1,631	0.53
Army Materiel Command	693	934	1,627	0.53
Corps of Engineers	44	872	916	0.30
Military Traffic Management Command	248	278	526	0.17
Criminal Investigation Command	294	141	435	0.14
Army Broadcasting Service	171	132	303	0.10
Community and Family Support Center	10	181	191	0.06
Army Audit Agency	0	103	103	0.03
Training and Doctrine Command	32	27	59	0.02
Surgeon General	6	7	13	0
Total	210,758	93,920	304,678	100.00

¹Data reflects the U.S. Army, Europe's February 1988 estimate of military assigned personnel for fiscal year 1988. All other data reported is for fiscal year 1987.

Table 2.3: U.S. Army's Budget Authority by Command (Fiscal Year 1987)

Dollars in millions			
Account	USAREUR	Other commands	Total
Operations and maintenance	\$3,793.3	\$297.7	\$4,091.0
Other procurement	20.4	26.4	46.8
Other ¹	724.2	420.2	1,144.4
Total	\$4,537.9	\$744.3	\$5,282.2

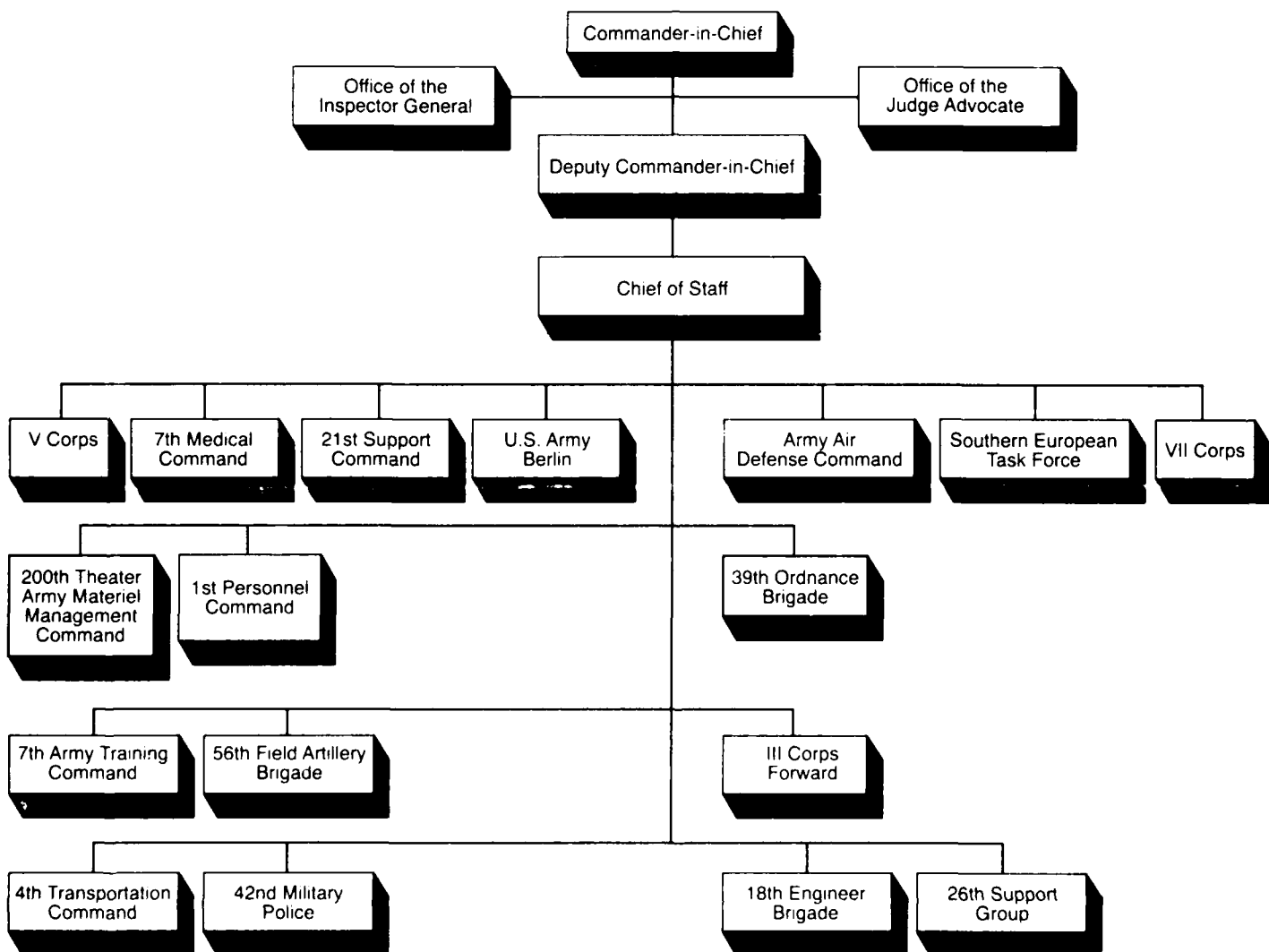
¹Figures include Army Family Housing, NATO Infrastructure, Military Assistance Program, and Reserve Force Operations and Maintenance and Personnel accounts.

Organizational Alignment Varies in Peace and War

In peacetime, U.S. Army, Europe, operates under a dual chain of command. The Department of the Army provides funding and directs service-oriented matters such as personnel management, training, and procedural guidance. The Joint Chiefs of Staff, through the European Command, oversee the missions of U.S. Army, Europe, and its commands. Should a war occur in Europe, U.S. Army, Europe's combat forces, as well as U.S. and foreign-assigned combat support and

combat-service support would be transferred to NATO control. The United States would be responsible for providing supplies to U.S. units. (See fig. 2.1.)

Figure 2.1: Command Structure of U.S. Army, Europe



U.S. Army, Europe's Primary Mission Is Deterrence

U.S. Army, Europe, represents the U.S.-deployed land force commitment to the NATO alliance. The Command's mission is to contribute combat-ready forces to NATO for a credible deterrence to aggression and to fight as part of the NATO alliance if deterrence fails. More than 97 percent of U.S. Army, Europe's personnel and associated dependents are located in West Germany.

U.S. Army, Europe's peacetime mission includes deterring aggression by maintaining combat-ready, forward-deployed ground combat forces and maintaining the capability to receive and support reinforcing forces entering the theater. In addition, U.S. Army, Europe's missions include intelligence gathering and administrative and logistical support of forces and special operations in the Allied Forces Central Europe area, including border patrol and the support of Berlin. Personnel assigned to U.S. Army, Europe's primary commands are listed in table 2.4. U.S. Army, Europe's major combat units—V Corps, VII Corps, the 56th Field Artillery Command, the 32nd Army Air Defense Command, the Berlin Brigade, and the Southern European Task Force—comprise 80 percent of the military forces and 70 percent of the military and civilian forces.

**Table 2.4: Military and Civilian Personnel
Assigned to U.S. Army, Europe** (As of
Sept 30, 1987)

Unit	Military	Civilian	Total
Headquarters, USAREUR	2,865	0	2,865
V Corps	62,512	13,370	80,882
VII Corps	71,909	21,890	93,799
21st Support Command	7,084	22,839	29,923
U.S. Army, Berlin	3,746	4,259	8,005
32nd Air Defense Command	11,494	0	11,494
Southern European Task Force	3,719	1,663	5,382
7th Medical Command	7,428	5,064	12,492
1st Personnel Command	1,634	0	1,634
56th Field Artillery Command	5,969	0	5,969
18th Engineering Brigade	3,521	0	3,521
59th Ordnance Brigade	7,031	0	7,031
2nd Armored Division	4,384	0	4,384
42nd Military Police Group	575	0	575
4th Transportation Command	3,585	0	3,585
7th Army Training Command	1,942	4,772	6,714
Other	0	9,551	9,551
Total	199,398	88,408	287,806

Note: Totals differ from others in this chapter because different sources were used.

U.S. Army, Europe's Commander stated that the mission of deterrence has not changed but that elements have been added and deleted over the years. He provided the following examples:

- The Pershing II intermediate-range ballistic missile was fielded and will be dismantled under provisions of the Intermediate-Range Nuclear Forces Treaty.
- U.S. Army, Europe, started to develop the capability to reinforce the NATO theater with 10 divisions in 10 days.
- U.S. Army, Europe's area of responsibility was changed and now includes most of Africa.
- U.S. Army, Europe, adjusted its planning and training requirements to accommodate NATO's forward defense strategy.
- The Command's number of prepositioned materiel storage sites and the amount of materiel stored have increased.
- War reserve stocks have increased.
- U.S. Army, Europe, weapon systems are being modernized.
- U.S. Army, Europe, is upgrading the readiness of all forces whether or not they are modernized.
- Living conditions for soldiers and their families are being improved.

Community Support Structure Is Unique to U.S. Army, Europe

Each of nearly all Army units assigned in NATO Europe is supported by 1 of 39 separate military communities. Geographically distinct, each community provides peacetime support, such as housing; medical care; facilities management; and morale, recreation, and welfare services. These communities also provide support for a transition to warfare. However, unlike Army forts or posts in the United States, which are generally self-contained and self-supported, military communities in Europe are often comprised of numerous geographically separate sub-communities. They provide support to units from several different commands with a diverse array of missions. (See app. II.)

U.S. Army, Europe's Military Strength Has Remained Constant Since 1980

Overall, U.S. Army, Europe's assigned military personnel remained relatively constant between 1980 and 1987. U.S. Army, Europe's headquarters staff fluctuated throughout the years, but this fluctuation had little effect on the total end strength because this staff represents less than 2 percent of the U.S. Army, Europe's forces. (See table 2.5.)

**Table 2.5: Changes in Assigned Strength
of U.S. Army, Europe's Military Personnel**

Year	Head- quarters, USAREUR	Annual change (percent)	USAREUR combat and other	Annual change (percent)	Total USAREUR	Annual change
1980	2,820	^a	196,326	^a	199,146	^a
1981	3,034	7.6	195,105	-0.6	198,139	-0.5
1982	3,462	14.1	197,122	1.0	200,584	1.2
1983	2,876	-16.9	192,336	-2.4	195,212	-2.6
1984	2,953	2.7	195,023	1.4	197,976	1.4
1985	2,789	-5.6	191,082	-2.0	193,871	-2.1
1986	4,114	47.5	191,143	0	195,257	0.7
1987	2,865	-30.4	196,533	2.8	199,398	2.1
Percent change 1980 to 1987		1.6		0.1		0.1

Note: These figures are based on data provided by the U.S. Army, Europe, historian. They may differ from other data in this chapter.

^aData not available to make calculation.

U.S. Army, Europe's Civilian Employment Has Increased 38 Percent Since 1980

U.S. Army, Europe's civilian employment has increased 38 percent between 1980 and 1987; the largest increase occurred between 1980 and 1981. The number of U.S. civilian employees paid with appropriated funds increased by 75 percent between 1980 and 1987. (See tables 2.6 and 2.7.)

Table 2.6: Civilian Staff Changes in U.S. Army, Europe, and Other Army Commands

Year ^a	Civilians, USAREUR	Annual change (percent)	Civilians, other Army	Annual change (percent)	Total Army	Annual change (percent)
1980	63,874	^b	^c	^b	^b	^b
1981	78,560	23.0	7,307	^f	85,867	^b
1982	82,265	4.7	7,597	4.0	89,862	4.7
1983	84,975	3.3	7,891	3.9	92,866	3.3
1984	86,470	1.8	8,611	9.1	95,081	2.4
1985	90,685	4.9	8,699	1.0	99,384	4.5
1986	87,185	-3.9	9,665	11.1	96,850	-2.5
1987	98,407	1.4	9,689	0.3	98,096	1.3
Percent change for U.S. Army Europe, 1980 to 1987		38.4				
Percent change for 1981 to 1987		12.5		32.6		14.2

Note: These figures are based on data provided by the U.S. Army, Europe's historian. They may differ from other data in this chapter.

^aYear ending December 30 for 1980, 1981, 1982, and 1983, year ending September 30 for all remaining years.

^fData not available to make calculation.

^gNot available.

**Table 2.7: Civilian Employment Growth
by Category in U.S. Army, Europe**

Category	Employment as of		Percent change
	December 31, 1980	September 30, 1987	
Appropriated fund ¹			
U.S. civilian	11,141	19,500	75.0
Foreign national	43,968	54,843	24.7
Subtotal	55,109	74,343	34.9
Non-appropriated fund ²			
U.S. civilian	6,401	9,404	46.9
Foreign national	2,364	2,629	11.2
Subtotal	8,765	12,033	37.2
Total	63,874	86,376	35.2

¹Appropriated funds are those provided by the Congress allowing federal agencies to incur obligations and make payments up to a specified amount.

²Non-appropriated funds are not provided by the Congress but generally are derived from the revenues of the particular agency's operations

U.S. Army, Europe, officials stated that 76 percent of the total civilian employment authorization increase was needed to accomplish personnel objectives and projects directed by the Department of the Army. These include

- reducing the number of military personnel "borrowed" to perform support functions (8,250 personnel were authorized to perform support functions);
- providing civilian authorizations to replace military authorizations in force modernization positions (2,700 civilians were authorized);
- reducing U.S. Army, Europe's real property maintenance backlog (1,300 were authorized for this purpose);
- supporting the increased work load for Prepositioning of Materials Configured in Unit Sets (2,000 were authorized);
- supporting the increased work load for ammunition storage and handling (1,750 were authorized); and
- staffing civilian manpower support positions in the Northern Army Group region (750 were authorized).

U.S. Army, Europe, officials noted that the largest increases had occurred in the major combat commands—the V Corps and the VII Corps—in which appropriated fund civilian employment doubled. They attributed the increases to the replacement of military personnel in support positions by civilians.

Within bounds of international agreements, all military branches and defense agencies, except the Defense Intelligence Agency, encourage the employment of family members. Preferential employment of spouses was authorized by the Fiscal Year 1986 DOD Authorization Act. As of September 30, 1987, U.S. Army, Europe, employed an estimated 19,400 dependents of military and civilian sponsors, or 67 percent of its total U.S. civilian employment.

U.S. Army, Europe's Budget Authority Has Increased Significantly Since 1980

Between 1980 and 1987, U.S. Army, Europe's budget authority increased from about \$2.3 billion to \$4.5 billion—about 96 percent. When adjusted using historical DOD budget authority deflators, the constant 1980 dollar increase was 56 percent. Operations and maintenance—the appropriation that funds all basic unit activities including training, civilian salaries, and real property maintenance and repair—consumed 84 percent of the total budget in 1987. (See fig. 2.2.) U.S. Army, Europe, officials stated that the operations and maintenance increases reflect the need to

- hire increased numbers of civilian employees,
- increase funding levels for real property maintenance to improve living conditions and reduce real property maintenance backlogs, and
- pay for the increased operating costs of new weapon systems added to U.S. Army, Europe's inventory since 1980.¹

Twelve Army Commands in Europe Are Headquartered in the United States

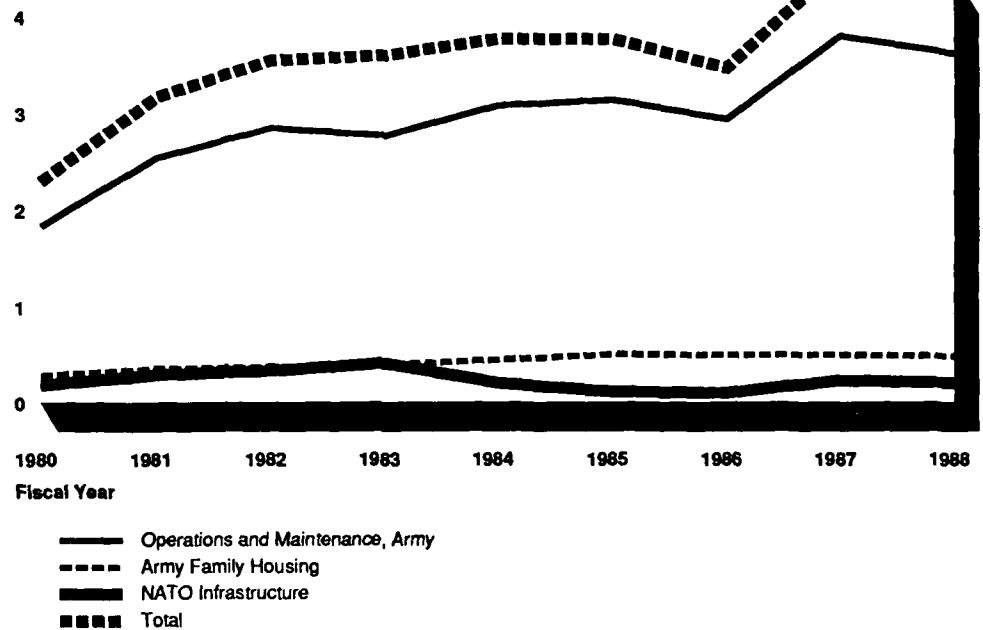
Approximately 14,700 U.S. Army military personnel and 7,500 civilian employees were assigned to 12 commands other than U.S. Army, Europe, in fiscal year 1987. Most of these commands had experienced little or no change in their military staffing levels since 1985. Complete data prior to 1985 was not available for all commands. (See table 2.8.) Descriptions of the missions of each of these commands are contained in appendix III.

¹ Examples of such increases include the new M-1 tank (which costs \$74 per mile to operate, versus \$25 per mile for the M-60 tank) and the M2-3 Bradley Fighting Vehicle (which costs \$26 per mile compared to \$5 for the M113 personnel carrier).

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Figure 2.2: Budget Trends in U.S. Army, Europe

5 Budget Authority (Dollars in Billions)



Note: Budget authority is reported in "then-year" dollars, which have not been adjusted for inflation in the United States or European countries.

Table 2.8: Trends in Military Staffing for Commands Headquartered in the United States With Troops Assigned in NATO Europe (Sept. 30, 1985, to Sept. 30, 1987)

Command	Total assigned Fiscal year		Difference
	1985	1987	
Information Systems Command	8,516	8,639	123
Intelligence and Security Command	4,390	4,478	88
Army Materiel Command	720	693	-27
Criminal Investigation Command	441	294	-147
Military Traffic Management Command	258	248	-10
Army Broadcasting Service	197	171	-26
Troop Support Agency	122	118	-4
Corps of Engineers	41	44	3
Training and Doctrine Command	0	32	32
Community and Family Support Center	10	10	0
Surgeon General	5	6	1
Army Audit Agency	0	0	0
Total	14,700	14,733	33

The Air Force Is the Second Largest U.S. Presence in NATO Europe

The U.S. Air Force in NATO Europe represented about 28 percent of the total U.S. military presence as of September 30, 1987. It consisted of approximately 94,000 military, 16,000 U.S. and foreign national civilian employees, and 106,000 dependents (less an estimated 3,200 who are also U.S. civilian employees)—a total of 212,800 personnel. The U.S. Air Forces in Europe comprised 70 percent of the total Air Force presence and was located in 11 NATO countries. Twenty separate Air Force commands, located in 14 countries, constituted the remaining 30 percent.

U.S. Air Forces in Europe represents the U.S.-deployed Air Force commitment to NATO and is responsible for operational readiness, training, and administrative and logistical support. Tactical fighter and missile wings are attached to each of its numbered air forces. More than 83 percent of its total population are military personnel. U.S. Air Forces in Europe also coordinates with the U.S. Army, U.S. Navy, U.S. Marine Corps, and allied nations as directed. The 20 independent Air Force commands provide administrative, logistical, and operational support to U.S. Air Forces in Europe and its 3 subordinate commands.

Both military and civilian personnel strengths have grown since 1981 except for fiscal year 1987; the military increased by about 21 percent, and the civilians by nearly 12 percent. The U.S. Air Force's budget authorization for operations and maintenance, military construction, other procurement, and various other accounts grew in nominal value from about \$1.5 billion to \$2.0 billion between 1985 and 1987.

Air Force Personnel Are Assigned to 14 NATO European Countries

U.S. Air Force military and civilian personnel and their dependents are stationed at more than 30 bases in 14 countries throughout NATO Europe. (See table 3.1.) More than 46 percent are located in West Germany, and 28 percent are in the United Kingdom.

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The Air Force Is the Second Largest U.S.
Presence in NATO Europe

Table 3.1: U.S. Air Force Presence in NATO Europe (As of Sept. 30, 1987)

Country	Military	Civilian ^a	Dependents ^b	Total	Percent
Belgium	2,066	228	1,554	3,848	1.78
Denmark	26	5	33	64	0.02
France	18	2	42	62	0.02
Greece	2,468	781	2,544	5,793	2.68
Greenland	258	0	0	258	0.11
Iceland	1,455	74	671	2,200	1.02
Italy	6,082	1,136	5,539	12,757	5.91
Netherlands	2,438	173	2,462	5,073	2.35
Norway	129	31	214	374	0.17
Portugal	1,279	983	1,548	3,810	1.76
Spain	5,171	1,270	6,765	13,206	6.12
Turkey	3,773	834	3,436	8,043	3.73
United Kingdom	26,925	21,848	31,712	60,485	28.05
West Germany ^c	41,570	8,945	48,907	99,422	46.11
Not identified	93	0	103	196	.09
Total	93,751	16,310	105,530	215,591	100.00

^aCivilians include 1,592 U.S. civilian and 1,373 foreign national non-appropriated fund employees

^bU.S. Air Forces in Europe officials estimate that about 64 percent of its U.S. civilian employees are also dependents (2,662 personnel). However, officials could not identify which service or U.S. government agency they worked for or which U.S. employee group they were associated with as dependents. DOD officials agreed that the same percentage could be used for other Air Force commands as well (557 personnel)

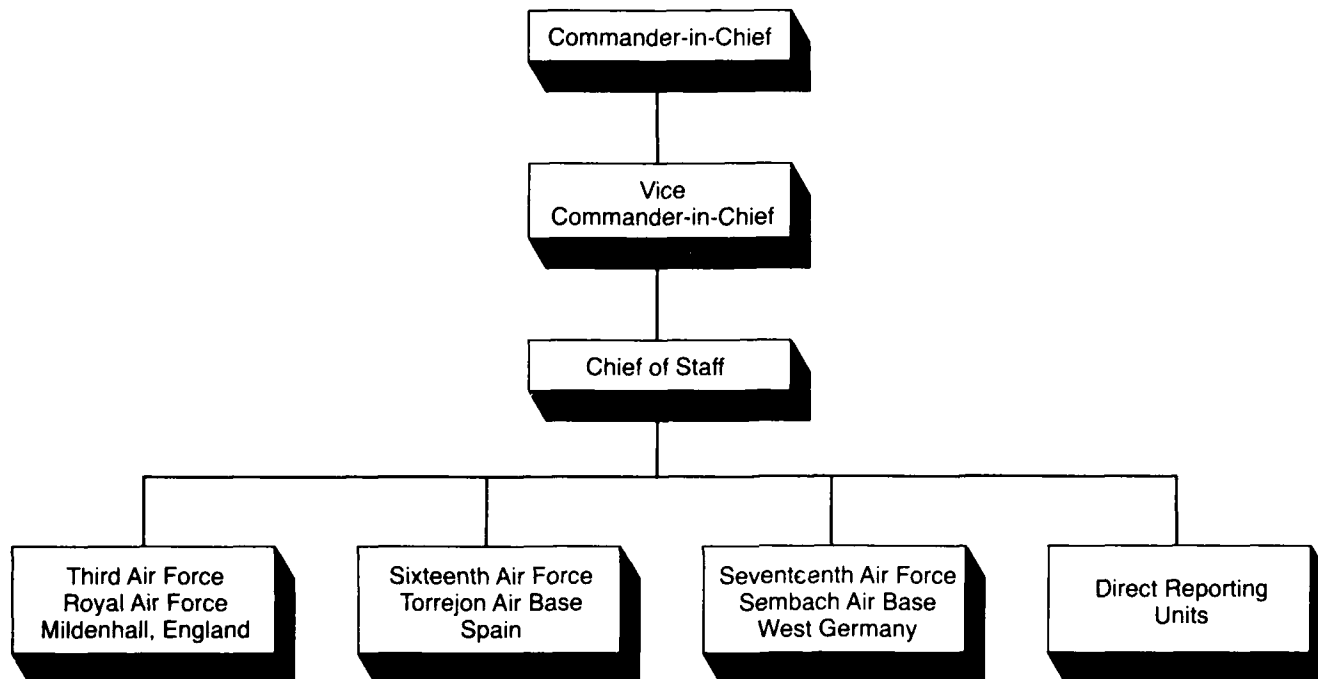
^cIncludes West Berlin. Civilian employees in West Berlin are funded by the West German government

U.S. Air Forces in Europe Commands the Largest Percentage of Air Force Personnel

Seventy percent of the approximately 110,000 military and civilian Air Force personnel are attached to U.S. Air Forces in Europe. During peacetime, U.S. Air Forces in Europe is operationally responsible to the European Command, while administrative and support matters come under the control of the U.S. Air Force Chief of Staff. In the event of war, U.S. Air Forces in Europe personnel are placed under the operational command/control of NATO's Supreme Allied Commander, Europe.

U.S. Air Forces in Europe is organized into three major subordinate commands, known as "numbered air forces," and 22 direct reporting units. (See fig. 3.1.) Each numbered air force has its own logistics and administrative support units to complement its assigned operational units. The direct reporting units provide such services as munitions, civil engineering, personnel, inspection and safety, tactical intelligence, and contracting services.

Figure 3.1: Command Structure of U.S. Air Forces in Europe



In all, the Air Force supports 22 air wings, including 28 tactical fighter wings. The Seventeenth Air Force, headquartered at Sembach Air Base, West Germany, is the largest command, including tactical fighter, control, reconnaissance, and missile wings; electronic combat and combat-support wings; and operations groups. The Third Air Force, based at Royal Air Force Mildenhall, United Kingdom, commands tactical fighter and missile wings, a civil engineering squadron (heavy repair), and an airborne command and control wing. The Sixteenth Air Force, based at Torrejon Air Base, Spain,¹ is the smallest unit, including tactical fighter, missile, control, and training wings. In addition, the Headquarters of the U.S. Logistics Group is associated with the Sixteenth Air Force and located in Turkey. (See table 3.2.)

¹To comply with a U.S.-Spain basing agreement, the Sixteenth Air Force, including the 401st Tactical Fighter Wing, is expected to relocate from Spain by May 1992.

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Table 3.2: U.S. Air Forces in Europe
Presence in NATO Europe (As of Sept. 30,
 1987)

Numbered air force	Military personnel	Percent of military	Civilian personnel	Percent of civilian	Percent of total military and civilian ^a
Seventeenth Sembach, West Germany					
Belgium	1,542		192		
Denmark	3		0		
Netherlands	2,026		173		
Norway	36		21		
West Germany	27,894		7,296		
Not identified	28		0		
Subtotal	31,529	48.8	7,682	60.6	50.8
Third Mildenhall Air Base, United Kingdom	21,192	32.8	1,594	12.6	29.5
Sixteenth Torrejon, Spain					
Italy	4,089		1,003		
Portugal	14		1		
Spain	4,084		1,028		
Turkey	2,505		743		
Greece	1,176		618		
Subtotal	11,868	18.4	3,393	26.8	19.8
Total	64,589	100.0	12,669	100.0	100.0

^aPercentage is based on total military and civilian personnel of 77,258

Remaining Air Force Personnel Provide Operational and Logistical Support

Twenty separate Air Force commands station about 33,000 military and civilian personnel in NATO Europe, almost 30 percent of the total U.S. Air Force presence. (See table 3.3.) These commands, which are headquartered in the United States, assign personnel in Europe to support Air Force operations. The three largest commands—the Air Force Communications Command, the Military Airlift Command, and the Electronic Security Command—account for 74 percent of the non-U.S. Air Forces in Europe military and civilian personnel. The 20 commands provide airlift, intelligence, logistics, security, legal, administrative, and other types of support to the numbered commands. They report directly to their headquarters in the United States and receive base/tenant services only from their support organization. Appendix IV provides additional information on the missions of these commands.

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The Air Force Is the Second Largest U.S.
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Table 3.3: Air Force Organizations and Personnel Assigned to NATO Europe (As of Sept. 30, 1987)

Organization	Military	Civilian	Total	Percent
U.S. Air Forces in Europe	64,589	12,669	77,258	70.20
Air Force Communications Command	9,901	633	10,534	9.60
Military Airlift Command	7,765	1,864	9,629	8.70
Electronic Security Command	4,145	18	4,163	3.80
Air Force Elements/Air Force Elements, Europe ^a	2,924	4	2,928	2.70
Strategic Air Command	1,438	8	1,446	1.30
Tactical Air Command	1,366	73	1,439	1.30
Air Force Commissary Service	155	637	792	0.70
Office of Special Investigations	379	65	444	0.40
Air Force Information Service and News Center	296	16	312	0.28
Air Force Space Command	268	5	273	0.24
Air Force Logistics Command	64	184	248	0.22
Air Training Command	203	2	205	0.18
Air Force Intelligence Agency	72	23	95	0.08
Air Force Systems Command	50	35	85	0.07
Air Force Audit Agency	5	65	70	0.06
Legal Services Center	57	0	57	0.05
Air Force Technical Applications Center	53	1	54	0.05
Air University	17	0	17	0.01
Air Force Operational Test and Evaluation Center	4	2	6	0
Other	0	6	6	0
Total	93,751	16,310	110,061	100.00

^aAir Force Elements and Air Force Elements, Europe are separate Air Force commands. Personnel are assigned to non-U.S. Air Force commands and offices such as the unified U.S. European Command, the U.S. Mission to NATO, and State Department embassies and consulates.

Air Force Personnel Strength Has Increased Since 1981

Overall, Air Force personnel levels have increased by about 21 percent since 1981, although both military and civilian categories have experienced some annual decreases. (See table 3.4.) U.S. Air Forces in Europe, the largest Air Force command in Europe, grew by over 20 percent.

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The Air Force Is the Second Largest U.S.
Presence in NATO Europe

**Table 3.4: Growth in U.S. Air Force's
Military and Civilian Personnel Based in
Europe**

Category	1981	1987	Percent change
USAFE military	54,992	64,589	17.5
Other military ¹	23,431	29,162	24.5
USAFE civilian	9,041	12,669	40.1
Other civilian ¹	3,376	3,641	7.8
Total Air Force	90,840	110,061	21.2

Note: Data on the numbers of military officer personnel is available only from fiscal year 1981.

¹ "Other" includes personnel from the 20 separate Air Force commands stationed in Europe.

Much of the U.S. Air Force's increase in military personnel occurred prior to the congressional establishment of the European troop strength ceiling. U.S. Air Force officials stated that the increases had accommodated the activation of the Ground-Launched Cruise Missile units. During the 1980s, these missiles were based in five European countries—Belgium, Italy, the Netherlands, the United Kingdom, and West Germany. With the implementation of the Intermediate-Range Nuclear Forces Treaty, DOD plans to deactivate all Ground-Launched Cruise Missile units. Authorized staffing for military and civilian positions associated with these units will be reduced to zero by the end of fiscal year 1991.

Within the U.S. Air Force civilian personnel category, only foreign nationals paid with appropriated funds have declined in number since 1980. This small decrease was offset by large increases in all other categories of civilian personnel. (See table 3.5.) In commenting on this report, DOD officials stated that the Air Force manages its overseas civilian personnel through the use of workyear ceilings, rather than end-strength ceilings. Although the Air Force believes that personnel resources are best managed through application of the budget rather than ceilings of any type, it has continuously operated within the imposed overseas workyear ceiling.

Table 3.5: Air Force Civilian Staffing in NATO Europe

Category	1980	1987	Difference	Percent change
Appropriated fund				
U.S. civilian	2,415	3,437	1,022	42.3
Foreign national	10,079	9,908	-171	-1.7
Subtotal	12,494	13,345	851	6.8
Non-appropriated fund ¹				
U.S. civilian	1,116	1,592	476	42.7
Foreign national	985	1,373	388	39.4
Subtotal	2,101	2,965	864	41.1
Total	14,595	16,310	1,715	11.8

¹Appropriated funds are those provided by the Congress allowing federal agencies to incur obligations and make payments up to a specified amount.

²Non-appropriated funds are not provided by the Congress but generally are derived from the revenues of the particular agency's operations.

U.S. Air Forces in Europe's increases in civilian personnel coincided with the congressionally mandated European troop strength ceiling. Officials attributed the growth primarily to two actions directed by U.S. Air Force headquarters: adding 121 personnel to support the activation of Ground-Launched Cruise Missile units and converting 472 military authorizations to civilian positions. Civilian staffing in the 20 separate Air Force commands located in NATO Europe has increased almost 8 percent since 1981, with 15 of the 20 commands experiencing at least some growth.

U.S. Air Force Budget Authority Has Increased in Nominal Value Since 1985

U.S. Air Force budget authority for NATO European operations in fiscal year 1987 totaled about \$2.0 billion. More than 78 percent was allocated to the operations and maintenance account, with 6 percent allocated to other procurement and 15 percent allocated to other accounts, including family housing operations and maintenance, claims, military family housing construction, and the Military Construction Program. The fiscal year 1987 budget authority has increased 31 percent in nominal value since fiscal year 1985. (See table 3.6.)

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Presence in NATO Europe

Table 3.6: U.S. Air Force's Budget Authority for Commands Located in NATO Europe

Dollars in millions

Accounts	1985			1987			Percent change
	USAFE	Other commands	Total	USAFE	Other commands	Total	
Operations and maintenance	\$954.9	\$263.1	\$1,218.0	\$1,218.5	\$344.8	\$1,563.3	28
Other procurement	30.6	2.6	33.2	105.9	9.3	115.2	247
Other	258.4	4.3	262.7	297.3	7.5	304.8	16
Total	\$1,243.9	\$270.0	\$1,513.9	\$1,621.7	\$361.6	\$1,983.3	31

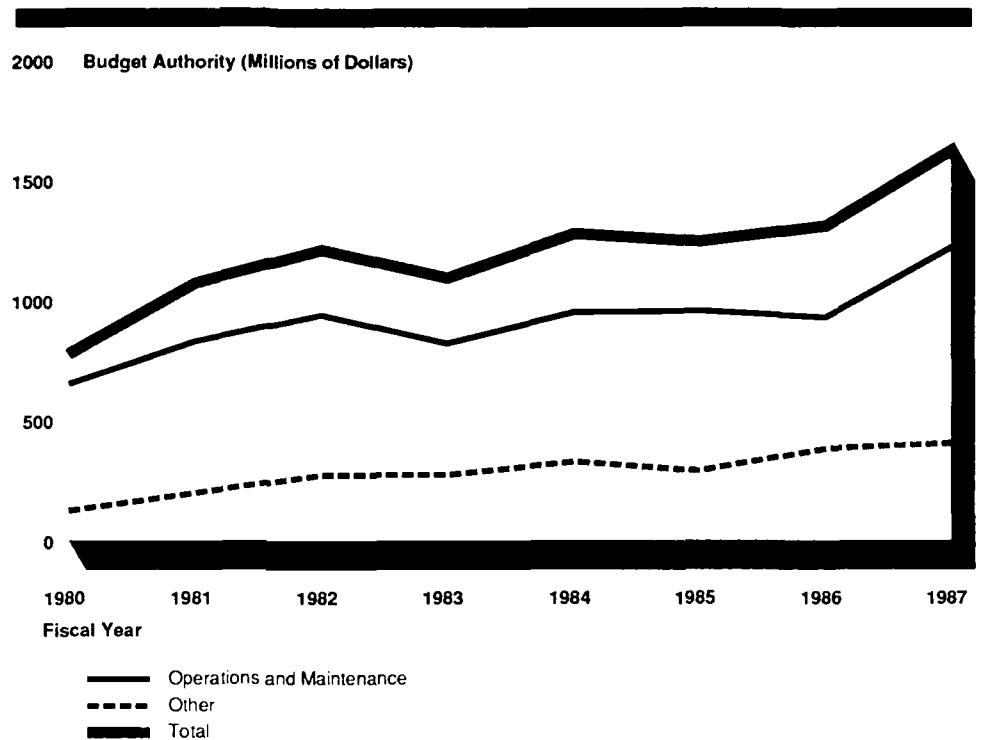
Note: Budget increases are stated in "then-year" dollars.

U.S. Air Forces in Europe's total budget authority of more than \$1,621 million accounted for almost 82 percent of the total U.S. Air Force budget for NATO European operations in fiscal year 1987. The majority of U.S. Air Forces in Europe's budget authority, 75 percent in 1987, is for operations and maintenance. U.S. Air Forces in Europe's fiscal year 1987 budget authority has increased by 109 percent in nominal value since 1980 (see fig. 3.2).² When adjusted using historical DOD budget authority deflators, the constant 1980 dollar increase is 63 percent.

Other budget authority includes multiyear appropriations such as military construction and other procurement. In addition to the annual appropriation, these accounts include prior-year funds appropriated, but not obligated, that are still available for obligation against prior-year requirements in the current year.

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Figure 3.2: Budget Trends in U.S. Air Forces in Europe



Note: Budget increases are stated in then year dollars.

Operations and maintenance, the appropriation that funds all basic unit activities including fuel, supplies, civilian salaries, and real property maintenance and repair, increased by 84 percent in nominal value since 1980, growing from \$652 million to \$1.2 billion in 1987. DOD noted in its comments on a draft of this report that when adjusted using historical DOD budget authority deflators, the constant 1980 dollar increase is 49 percent. The largest increases occurred in fiscal year 1981—over 27 percent—and 1987—31 percent. U.S. Air Forces in Europe officials explained these increases as follows:

- During fiscal year 1981, U.S. Air Forces in Europe added 20 F-4E and 24 F-4G aircraft to its inventory, converted the 81st Tactical Fighter Wing to A-10s, added funding for the Tactical Air Control System, improved chemical and biological defensive capability, and more than doubled its authorized level of vehicles in war readiness materiel storage.

- During 1987, \$190 million, or two-thirds, of the \$291 million increase from 1986 was required to offset inflation and foreign currency fluctuations. The remainder was used to phase out F-4 aircraft and phase in F-16s, activate and expand Ground-Launched Cruise Missile operations, implement command and control improvements, and support increased numbers of higher headquarters-directed exercises and other requirements such as reducing a backlog of previously deferred civil engineering and base support projects.

Agency Comments and Our Evaluation

DOD disagreed with the Air Force military personnel data presented in the report, stating that the numbers we included as of September 30, 1987, are closer to programmed manpower data than to actual military personnel present in NATO Europe at that time. DOD indicated that our numbers, which exceeded the Air Force European troop strength ceiling, overstated the military personnel present in NATO Europe by 894, a 1-percent difference. The largest difference occurred between our number for the U.S. Air Forces in Europe and DOD's number, while differences in the numbers for the other Air Force commands essentially balanced out. DOD provided personnel numbers obtained from the Air Force Military Personnel Center, Randolph Air Force Base, Texas, using the European Troop Strength System.

We obtained our information from U.S. Air Forces in Europe and, for the Air Force commands headquartered in the United States, from the Military Personnel Center in Texas. We asked U.S. Air Forces in Europe and the commands headquartered in the United States to identify the number of military personnel located in NATO Europe by unit and location for the years 1980 to 1987. In discussions with DOD and service officials, the differences could not be reconciled.

U.S. Navy and U.S. Marine Corps Comprise Third Largest Portion of the U.S. Military Presence in NATO Europe

The Department of the Navy's presence in NATO Europe totaled about 38,000 military¹ and civilian shore-based personnel and their dependents as of September 30, 1987. This number represents just 5 percent of the total U.S. defense presence. The U.S. Navy, Europe, has operational command, control, and coordination over all naval forces in the European Command's geographic area. (See ch. 1.) During wartime, much of the U.S. Navy, Europe's staff revert to NATO's operational control. Eighteen additional commands provide common services, including medical care for sailors and Marines, and specialized services, including telecommunications support for ballistic missile and strategic weapon systems. The Marine Corps forces perform a variety of specialized duties, including providing staff support to the European Command; U.S. Navy, Europe; and other commands; security forces for naval facilities; and attaches and guards at U.S. embassies and consulates.

As of September 30, 1987, the Navy's shore-based forces consisted of about 13,000 sailors, 6,100 civilian employees, and 17,100 dependents in 13 NATO countries and represented 19 separate Navy organizations. The Marine Corps has almost 1,200 military personnel and 800 dependents stationed in 14 countries. Neither the Navy nor DOD was able to estimate the number of U.S. civilian employees who are also dependents. The Navy and Marine Corps budgeted about \$336 million to support the U.S. naval presence in NATO Europe in fiscal year 1987.

Navy Personnel Are Assigned to 13 NATO European Countries

Almost 19,200 U.S. Navy military and civilian personnel, representing 19 commands or separate operating activities, were assigned to 13 NATO countries at the end of fiscal year 1987. (See table 4.1.) Most of the Navy's presence was in NATO's southern region; 61 percent of its military and civilian strength was assigned to Italy and Spain. About 31 percent was located in the United Kingdom and Iceland.

¹Sailors and Marines assigned to ships temporarily deployed in the Mediterranean and North Atlantic are not included in this count. The European Command estimates that 30 U.S. Sixth Fleet ships and 34,500 Navy and 1,400 Marine Corps personnel are generally under its control at any point in time during a year.

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Table 4.1: U.S. Navy Presence by
Country of Assignment (As of Sept. 30,
1987)

Country	Military	Civilian	Dependents	Total	Percent
Belgium	134	0	122	256	0.71
Denmark	19	0	14	33	0.09
France	3	2	24	29	0.09
Greece	558	186	289	1,033	2.85
Iceland	1,582	883	1,243	3,708	10.23
Italy	4,702	2,436	6,485	13,623	37.58
Netherlands	10	3	21	34	0.09
Norway	36	0	49	85	0.23
Portugal	415	56	415	886	2.44
Spain	2,913	1,800	3,723	8,436	23.27
Turkey	105	0	25	130	0.36
United Kingdom	2,331	726	4,303	7,360	20.30
West Germany	264	6	369	639	1.76
Total	13,072	6,098	17,082	36,252	100.00

Three Commands Manage 70 Percent of the Navy's European Presence

The naval presence in Europe is not dominated by a single command, as is the case with the U.S. Army, Europe, and the U.S. Air Forces in Europe. U.S. Navy, Europe, commands more than 39 percent of the total naval military and civilian presence. Two of the 18 other commands each have authority over a significant European presence as well. The Commander-in-Chief of the Atlantic Fleet commands almost 18 percent of the total military and civilian naval presence, and the Naval Telecommunications Command has authority over 13 percent. Nine of the Navy commands have fewer than 100 personnel each. (See table 4.2.) Appendix V describes the missions and functions of the 18 separate commands.

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Presence in NATO Europe

Table 4.2: Navy Organizations and Personnel Assigned to NATO Europe (As of Sept. 30, 1987)

Command	Military	Civilian	Total	Percent
U.S. Navy, Europe	3,704	3,880 ^a	7,584	39.6
Commander-in-Chief, Atlantic Fleet	2,539	870	3,409	17.8
Naval Telecommunications Command	2,121	415	2,536	13.2
Central Operating and Program Support Division, Central Operating Activity ^b	1,089	0	1,089	5.7
Naval Medical Command	801	147	948	5.0
Naval Supply Systems Command	129	325	454	2.4
Chief of Naval Operations	322	114	436	2.3
Naval Facilities Engineering Command	35	144	179	0.9
Naval Oceanography Command	152	7	159	0.8
Naval Intelligence Command	117	0	117	0.6
Naval Air Systems Command	30	69	99	0.5
Military Sealift Command	44	52	96	0.5
Chief of Naval Personnel	48	0	48	0.3
Chief of Naval Research	5	31	36	0.2
Deputy Under Secretary of the Navy	6	12	18	0.1
Naval Space and Warfare Command	1	16	17	0.1
Naval Education and Training Command	15	0	15	0.1
Naval Sea Systems Command	6	4	10	0
Strategic Systems Program Office	2	3	5	0
Other activities	1,906	9	1,915	10.0
Total^c	13,072	6,098	19,170	100.0

^aIncludes 1,164 non-appropriated fund employees comprised of 631 U.S. employees and 533 foreign nationals

^bThe Central Operating Activity is an activity within the Naval Military Command Chief of Naval Personnel. It is not a separate command, although it does have its own claimancy code, the tracking system for naval personnel assignments. The Central Operating Activity handles military pay and administrative matters for Navy personnel assigned to joint unified commands, NATO, or other non-Navy organizations. It has no operations and maintenance budget for its personnel assigned overseas; these costs are assumed by the agency to which the person is assigned.

^cTotals do not include Navy military personnel assigned to a Pacific Command Construction Battalion that deploys to Europe (631); the Chief of Naval Reserve (1); or to other DOD activities (64) cited by DOD in its official comments. (See app. VI.)

**U.S. Navy, Europe,
Controls All Naval
Resources in NATO Europe**

The Commander-in-Chief of Navy, Europe, has operational command, control, and coordination over all U.S. naval forces in the U.S. European Command's area of responsibility. The U.S. Navy, Europe, ensures the availability of ready forces for NATO should the need arise. The more than 3,700 military and 3,800 civilian shore-based personnel assigned to U.S. Navy, Europe, operate no ships or airplanes but are responsible for the logistical support of the U.S. Navy ships and aircraft whether

nationally or NATO assigned. Organizationally, they report to one of three principal commanders appointed by U.S. Navy, Europe:

- the Commander of Fleet Air Mediterranean, who is headquartered in Naples, Italy, and responsible for naval shore operations in the Mediterranean, providing area coordination, administrative control, and/or operational control over ship and aviation support commands and separate logistics/support commands headquartered in the United States;
- the Commander of Naval Activities, United Kingdom, who is headquartered in London and responsible for naval shore operations in the United Kingdom and northern Europe; and
- the Commander of the Sixth Fleet, who is headquartered in Gaeta, Italy, with operational command and control over Sixth Fleet ships and aircraft deployed in and around NATO Europe.

Navy Has Expanded Operations in the Southern Region

Like the Army and the Air Force, the Navy's military and civilian personnel levels in NATO Europe generally increased between 1980 and 1987. Most of the increases were allocated to expand operations in NATO's southern region.

The Navy's military staffing in NATO Europe has fluctuated since 1980. Much of the growth experienced by the U.S. Navy, Europe, and six commands was in military personnel. The Navy reoriented its command of ground-based personnel in NATO Europe by decreasing the presence of the Commander-in-Chief's Atlantic Fleet by 39 percent and expanding the presence of the U.S. Navy, Europe, by 84 percent. (See table 4.3.)

Table 4.3: Military Staff Changes in Navy Commands

Command/activity	Military staffing		Difference	Percent change
	1980	1987		
Central Operating Activity	916	1,089	173	18.9
Chief of Naval Operations	123	322	199	161.8
Commander-in-Chief, Atlantic Fleet	4,163	2,539	-1,624	-39.0
U.S. Navy, Europe	2,009	3,704	1,695	84.4
Naval Intelligence Command	40	117	77	192.5
Naval Medical Command	293	801	508	173.4
Naval Telecommunications Command	1,443	2,121	678	47.0

Since 1980, the number of appropriated fund civilians employed by the Navy in NATO Europe has increased by 23 percent. (See table 4.4.) Although the U.S. Navy, Europe, experienced the largest numerical

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increase, five other commands experienced increases greater than 15 percent in civilian staffing levels. (See table 4.5.) U.S. Navy, Europe, officials stated that fiscal year 1986 and 1987 increases in its appropriated fund employees (U.S. and foreign national civilians) were needed to improve base operating support and physical security. These officials attributed increases that have occurred since 1985 in non-appropriated fund civilian employees to support for new activities such as child care centers and fitness programs.

Table 4.4: Navy Civilian Growth in NATO Europe

Category	1980	1987	Difference	Percent change
Appropriated fund ^a				
U.S. Civilian	653	1,270	617	94.5
Foreign national	3,263	3,542	279	8.6
Total	3,916	4,812	896	22.9

^aAppropriated funds are those provided by the Congress, allowing federal agencies to incur obligations and make payments up to specified amounts.

Table 4.5: Civilian Staff Changes in Navy Commands

Command/activity	Civilian staffing		Difference	Percent change
	1980	1987		
Chief of Naval Operations	35	114	79	226.1
Naval Facilities Engineering Command	61	144	83	136.1
Naval Supply Systems Command	206	325	119	57.8
U.S. Navy, Europe ^a	2,109	2,594	485	23.0
Naval Medical Command	113	147	34	30.1
Naval Telecommunications Command	354	415	61	17.2

^aU.S. and foreign national appropriated fund personnel only.

Navy Budget Authority Has Increased Since Fiscal Year 1985

Since fiscal year 1985, estimated Navy budget authority has grown from \$268 million at the end of fiscal year 1985 to \$335.3 million at the end of fiscal year 1987, an increase of nearly \$67 million. As with the other services, a large budget increase, \$60.2 million, occurred between fiscal years 1986 and 1987.

U.S. Navy, Europe's Budget Dominates Total Navy Funding

The U.S. Navy, Europe's fiscal year 1987 budget authority accounted for 53 percent of the total \$335.3 million the Navy budgeted for NATO European operations. All but \$1.7 million was earmarked for operations and maintenance. (See table 4.6.)

Table 4.6: Budget Authority of U.S. Navy, Europe

Dollars in millions

Account	1985	1986	1987	Percent change 1987 vs. 1985
Operations and maintenance	\$139.2	\$140.9	\$175.9	26.4
Other procurement ¹	1.9	1.6	1.7	-10.5
Total	\$141.1	\$142.5	\$177.6	25.9

¹Other procurement is a multiyear account. Total includes prior-year budget authority still available for obligation.

Table 4.6 identifies "then-year" dollars, which have not been adjusted for inflation in the United States or European countries. DOD noted in its comments on this report that when adjusted using historical DOD budget authority deflators, the operations and maintenance constant 1980 dollar increase is 21 percent. U.S. Navy, Europe, officials said that the 1987 increase was required to cover both U.S. and European inflation costs. They said that their program funding was essentially equivalent to that of fiscal year 1986.

U.S. Marine Corps Provides Security to U.S. Facilities

With almost 1,200 military personnel assigned on September 30, 1987, the U.S. Marine Corps is by far the smallest of the four services in NATO Europe. The Marine Corps is present throughout NATO Europe, (1) providing staff support to the European Command, U.S. Navy, Europe, and other commands; (2) providing security forces for U.S. naval facilities; (3) performing attache duties and guarding U.S. State Department posts; and (4) performing other specialized duties. The Marine Corps allocated about \$725,000 in fiscal year 1987 to support NATO Europe operations and maintenance activities. The Marines do not employ civilians overseas. (See table 4.7.)

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Table 4.7: U.S. Marine Corps Personnel
in NATO Europe (As of Sept. 30, 1987)

Country	Enlisted	Officers	Dependents	Total	Percent
Belgium	21	9	29	59	3.03
Denmark	7	2	9	18	0.92
France	36	2	9	47	2.41
Germany	57	30	107	194	9.96
Greece	11	1	4	16	0.82
Iceland	96	3	31	130	6.67
Italy	251	25	126	402	20.64
Luxembourg	7	0	3	10	0.51
Netherlands	6	2	8	16	0.82
Norway	13	9	28	50	2.56
Portugal	12	0	4	16	0.82
Spain	173	13	110	296	15.20
Turkey	17	2	10	29	1.48
United Kingdom	329	44	291	664	34.10
Total	1,036	142	769	1,947	100.00

The Marine Corps has one command headquarters in Europe: Headquarters, Fleet Marine Force, Europe, located in East Cote, a suburb of London. It is comprised of 13 officers and 15 enlisted personnel (listed in table 4.7). The Command is in Europe to act as the single point of contact between U.S. and NATO commands on Marine Corps matters and to plan for Marine Corps wartime commitments to Europe.

Agency Comments and Our Evaluation

DOD provided military personnel data to replace the numbers we included for the Navy. DOD added 814 personnel to the Navy presence, a 6-percent increase. One reason DOD's numbers differed was that DOD included military personnel assigned to defense agencies. (See ch. 5.) DOD also included Navy commands headquartered in the United States, which were not reflected in data previously provided to us. For example, DOD stated that 631 military personnel assigned to the U.S. Commander-in-Chief, Pacific Fleet, and associated with a Military Construction Battalion; 4 military personnel assigned to the Secretary of Defense/Joint Chiefs of Staff command; and 1 person assigned to the Chief of Naval Reserve were located in NATO Europe. DOD stated that the Battalion personnel were included in the European troop strength ceiling but were excluded from the data we received from the Navy Military Personnel Center because the Center only started counting these personnel after the date of our request. We did not add the military personnel numbers for the Construction Battalion, Secretary of Defense/Joint

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Chiefs of Staff, and Naval Reserve to our tables because they represented data for only 1 year.

DOD officials agreed that we could not make an adjustment for the double counting of U.S. civilian employees who are also dependents because the Navy could not provide an estimate of what the numbers would be. The numbers are believed to be small.

Other DOD Organizations Assigned to NATO Europe Support the U.S. Military Presence

In addition to the four military services, eight other DOD organizations, employing over 34,700 personnel, maintained a presence in NATO Europe in 1987. The largest of these was the Army and Air Force Exchange Service, with over 24,200 personnel, followed by the Department of Defense Dependents Schools, with approximately 9,100 employees. Six defense agencies made up the remainder of the non-service presence. DOD officials stated that the military personnel assigned to these organizations are included in the European troop strength. These agencies provided logistical, communications, and intelligence support to the European Command and other DOD activities located in NATO Europe. Combined appropriated funding for these organizations totaled approximately \$528 million for fiscal year 1987. Non-appropriated fund expenditures totaled an additional \$486 million.

Army and Air Force Exchange Service

The Army and Air Force Exchange Service, a non-appropriated fund organization, operates shopping facilities throughout NATO Europe, providing merchandise and services to authorized customers. AAFES also generates earnings to supplement military morale, welfare, and recreation programs. With 24,236 employees in 1987, AAFES operated facilities in eight NATO European countries—Belgium, Germany, Greece, the Netherlands, Italy, Spain, Turkey, and the United Kingdom—as well as in the Azores, Greenland, and West Berlin. (See table 5.1.)

Table 5.1: Presence of Army and Air Force Exchange Service Personnel in NATO Europe

Dollars in millions			
Type of employee	1985	1987	Percent change
Military	33	31	-6.1
U.S. civilian	11,297	15,413	36.4
Foreign national	8,777	8,792	0.2
Total	20,107	24,236	20.5
Non-appropriated fund expenditures	\$352.4	\$485.9	37.9

Between fiscal years 1985 and 1987, the number of AAFES employees rose by about 20 percent, from 20,107 to 24,236. U.S. civilian personnel accounted for the majority of the 36-percent increase that occurred during this period. DOD officials stated that approximately one-half of this increase is due to changes in a food sales program. Complete data on the number of U.S. dependents during this period was not available. DOD officials noted that as of April 1989, 15,431 family members were employed.

AAFES non-appropriated fund expenditures have increased by approximately 38 percent since 1985, from \$352.4 million to \$485.9 million in fiscal year 1987. AAFES receives only limited appropriated funds, for such things as transportation of U.S. merchandise overseas and utilities.

Department of Defense Dependents Schools System

The Department of Defense Dependents Schools system provides elementary and secondary instruction to children of DOD military and civilian personnel stationed overseas. Established in 1976 at the direction of the Congress, DODDS consolidated the school systems previously operated by the individual services into a single field activity within the Office of the Secretary of Defense. As of September 30, 1987, approximately 116,825 students attended 212 DODDS schools in 11 NATO European countries.¹ Three-quarters of these students and 65 percent of the schools were located in Germany. During fiscal year 1987, DODDS employed over 9,100 personnel and was authorized an estimated \$490 million to operate schools within the three regions serving NATO Europe.² (See table 5.2.)

**Table 5.2: Presence of Department of
Defense Dependents Schools in NATO
Europe**

Dollars in millions			
Type of employee	1985	1987	Percent change
U.S. civilian	7,816	8,496	8.7
Foreign national	704	696	-1.1
Total	8,520	9,192	7.9
Dependents of U.S. hires	6,251	6,528	4.4
Budget authority	\$401.8	\$490.5	22.1

Between fiscal years 1985 and 1987, the total number of DODDS employees increased by 8 percent, from 8,520 to 9,192. This growth was the result of a 9-percent increase in the number of U.S. civilian employees, which was offset in part by a decline in the number of foreign national personnel. Approximately one-third of the 8,496 U.S. civilians employed

¹DODDS operates schools in five geographic regions; three serve NATO countries. The Atlantic, Germany and Mediterranean Regions operate schools in NATO Europe. The Atlantic Region also provides instruction to U.S. dependents in Bermuda, the British West Indies, Canada, and Cuba. The Mediterranean Region also serves U.S. dependent children in Bahrain. Worldwide, DODDS would be the ninth largest school district in the United States.

²Assigned personnel strengths and authorized budget levels are estimates provided by DODDS's Atlantic, Germany and Mediterranean Regions, based on school enrollment. DODDS does not maintain centralized personnel or financial records that allow a reconstruction of prior-year costs.

by DODDS in NATO Europe^a were dependents of American military or civilian personnel. During 1987, 6,528 dependents accompanied DODDS U.S. civilian employees in NATO Europe, an increase of 4 percent since 1985.

The DODDS budget authority increased by 22 percent between fiscal years 1985 and 1987. DODDS officials said that this additional funding had been required to offset the effects of inflation and foreign currency fluctuations.

Defense Agencies in NATO Europe

Six Defense agencies also maintained a permanent presence in 12 NATO European countries in 1987. These six included the Defense Communications Agency, the Defense Courier Service, DOD's Office of the Inspector General, the Defense Intelligence Agency, the Defense Logistics Agency, and the Defense Mapping Agency. As of September 30, 1987, these agencies maintained about 1,300 military and civilian personnel in NATO Europe, although complete personnel and dependent data was not available for all agencies. Available data indicated that combined appropriated funding for four of the six agencies totaled approximately \$39 million for fiscal year 1987. (See table 5.3.)

Table 5.3: Presence of Defense Agencies in NATO Europe (As of Sept. 30, 1987)

Dollars in millions				
Agency	Military	Civilian	Dependents	Budget authority
Defense Communications Agency	113	67	164	\$3.5
Defense Courier Service ^a	92	0	289	0.6
Defense Inspector General's Office	1	18		
Defense Intelligence Agency				
Defense Logistics Agency		983	193	33.9
Defense Mapping Agency ^a	24	23	102	0.9
Total	230	1,091	748	\$38.9

^aDOD cannot provide data on NATO Europe budget authority. Figures represent obligated amounts.

^bDOD cannot provide dependent data and NATO Europe budget data.

^cDOD cannot provide unclassified resource data for all services but stated that 32 Navy military personnel were assigned to the Defense Intelligence Agency.

^dDOD cannot break out military staffing levels for all services but stated that two Navy military personnel were assigned to the Defense Logistics Agency.

Defense Communications Agency	The Defense Communications Agency provides communications support to the European Command and manages leased long-distance communications facilities, services, and equipment. Headquartered outside Stuttgart in Vaihingen, West Germany, the Defense Communications Agency-Europe also maintains a small field office in Kaiserslautern, West Germany.
Defense Courier Service	The Defense Courier Service provides fast and secure transportation of top secret and other controlled material by courier escort. Headquartered at Rhein Main Air Base, the Defense Courier Service also maintains personnel at nine other locations in Germany, Greece, Italy, Spain, Turkey, and the United Kingdom.
Office of the Inspector General	The DOD Inspector General's European Regional Office coordinates and conducts audits, investigations, and inspections of the military services and DOD organizations in Europe. This office is headquartered in Weisbaden, West Germany.
Defense Intelligence Agency	DOD could not provide unclassified information on the mission or resources of the Defense Intelligence Agency's European activities.
Defense Logistics Agency	The Defense Logistics Agency provides logistical support to the European Command and other DOD components located in NATO Europe. These services include automation support, fuel management, perishable item procurement, and property disposal. As of September 30, 1987, approximately 87 percent of the civilian personnel assigned to the agency were stationed in Germany, with the remainder located in 10 other NATO European countries.
Defense Mapping Agency	The Defense Mapping Agency distributes nautical, aeronautical, and topographical charts, maps, publications, and information to DOD activities throughout Europe. In 1987, the Defense Mapping Agency had personnel assigned in Germany, Italy, and the United Kingdom.

Agency Comments and Our Evaluation

DOD provided data on the Navy military personnel assigned to the defense agencies listed in table 5.3. Some of these personnel were already accounted for in the data submitted by the respective agencies. However, data was missing for the Defense Logistics Agency, and the Defense Intelligence Agency said it could not provide unclassified data. We used the information provided by the source agency rather than by DOD because each agency included the historical trend data needed for our analysis.

DOD Commands, Special Operating Activities, and Direct Reporting Units That Provided Data for This Report

Office/service	Activity/unit
Office of the Secretary of Defense	Defense Communications Agency
	Defense Courier Service
	Defense Inspector General
	Defense Intelligence Agency
	Defense Logistics Agency
Joint Chiefs of Staff	Defense Mapping Agency
	U.S. European Command
Army	U.S. Army, Europe and 7th Army Command
	Army Information Systems Command
	Army Intelligence and Security Command
	Army Criminal Investigation Command
	Army Materiel Command
	Military Traffic Management Command
	Army Broadcasting Service
	Troop Support Command
	Army Corps of Engineers
	Army Training and Doctrine Command
	Army Community and Family Support Center
	Army Surgeon General
	Army Audit Agency
Navy	Deputy Under Secretary of the Navy (Policy)
	Chief of Naval Operations
	Commander-in-Chief, U.S. Navy, Europe
	Naval Central Operating and Program Support Division
	Chief of Naval Research
	Naval Intelligence Command
	Naval Medical Command
	Naval Air Systems Command
	Chief of Naval Personnel
	Naval Supply Systems Command
	Naval Sea Systems Command
	Naval Facilities Engineering Command
	Strategic Systems Program Office
	Military Sealift Command
	Naval Space and Warfare Command
	Commander-in-Chief, Atlantic Fleet
	Naval Education and Training Command
	Naval Telecommunications Command
	Naval Oceanographic Command
Air Force	Naval Reserve Force
	U.S. Marine Corps
	U.S. Air Force Military Personnel Center
	U.S. Air Forces in Europe
	Air Force Audit Agency
	Air Force Technical Applications Center
	Air University
	Air Training Command
	Air Force Commissary Service
	Air Force Communications Command
	Air Force Electronic Security Command
	Air Force Logistics Command
	Military Airlift Command
	Strategic Air Command
	Air Force Space Command
	Air Force Systems Command
	Tactical Air Command

(continued)

**Appendix I
DOD Commands, Special Operating Activities,
and Direct Reporting Units That Provided
Data for This Report**

Office/service	Activity/unit
	Air Force Service Information and News Center Air Force Intelligence Agency Air Force Legal Services Center Air Force Office of Special Investigations Air Force Operational Test and Evaluation Center
Other	Army and Air Force Exchange Service Department of Defense Dependents Schools

Command Structure of U.S. Army, Europe's Military Communities in NATO Europe

The U.S. Army, Europe, has designated seven commands to oversee the operations of 39 separate military communities. This appendix contains a brief mission statement from each of the commands and the military communities they are responsible for. All the communities are in West Germany unless otherwise indicated.

V Corps: Headquartered in Frankfurt, West Germany, V Corps commands the 3rd Armored Division, 8th Mechanized Infantry Division, 11th Armored Cavalry Regiment, and associated combat-support units such as engineering, aviation, signal, intelligence, and personnel and administration.

Communities:

Bad Kreuznach
Baumholder
Darmstadt
Frankfurt
Fulda
Giessen
Hanau
Mainz
Wiesbaden
Wildflecken

VII Corps: Headquartered in Stuttgart, West Germany, VII Corps commands the 1st Armored Division, 3rd Mechanized Infantry Division, 2nd Armored Cavalry Regiment, and a forward-deployed brigade of the 1st Mechanized Infantry Division. VII Corps, like the V Corps, also commands associated combat-support units.

Communities:

Ansbach
Aschaffenberg
Augsburg
Bad Toelz
Bamberg
Geoppingen
Heilbronn
Munich
Neu Ulm
Nurnberg

Appendix II
Command Structure of U.S. Army, Europe's
Military Communities in NATO Europe

Schweinfurt
Stuttgart
Wurzburg

7th Army Training Command: Headquartered in Grafenwoehr, West Germany, the 7th Army Training Command manages individual and collective training for U.S. Army, Europe. The Command controls, schedules units into, and maintains the U.S. Army, Europe's three major training areas located at Grafenwoehr, Hohenfels, and Wildflecken, West Germany.

Community:

Grafenwoehr

21st Support Command¹: Headquartered in Kaiserslautern, West Germany, the 21st Support Command commands the equivalent of 33 battalions. The Command provides supply and maintenance support for U.S. Army, Europe's combat units, including the storage and maintenance of war reserve materiel and materiel prepositioned in Europe for reinforcing divisions coming from the United States in the event of war.

Communities:

Kaiserslautern
Karlsruhe
Mannheim
Nord Deutschland
Pirmasens
Rheinberg
Worms
Zweibruecken
The Netherlands
NATO/Supreme Headquarters, Allied Powers, Europe, Belgium
Burtonwood, United Kingdom

U.S. Army, Berlin: The U.S. Army, Berlin, commands three infantry battalions, a reinforced tank company, an artillery battery, and various support units. Most of the Army's operating costs in Berlin are paid by the West German government.

¹As of September 30, 1987, the U.S. Army, Europe, had renamed the 21st Support Command to the 21st Theater Area Army Command.

Appendix II
Command Structure of U.S. Army, Europe's
Military Communities in NATO Europe

Community:

Berlin

26th Support Group: Headquartered at Heidelberg, West Germany, the 26th Support Group provides administrative, logistical, transportation, and security support for U.S. Army, Europe, headquarters and other Army organizations located in the Heidelberg military community.

Community:

Heidelberg

Southern European Task Force: Headquartered in Vicenza, Italy, the Southern European Task Force provides support to the largest and most diverse area in Europe, including Italy, Greece, and Turkey in peacetime and Portugal and Spain in wartime. It commands three artillery groups and an airborne combat team as part of NATO's Allied Mobile Force.

Communities:

Livorno, Italy

Vicenza, Italy

U.S. Army Commands and Special Operating Activities Headquartered in the United States With Permanent Presence in NATO Europe

Twelve Army commands or special activities, headquartered in the United States, maintain a permanent presence in NATO Europe. These commands assign about 15,000 troops in NATO Europe and together constitute about 7 percent of the total Army presence there. This appendix contains a brief description of the support these commands provide to the U.S. Army in NATO Europe.

Army Information Systems Command

The Army Information Systems Command consists of 8,639 military and 3,117 civilian personnel assigned in Germany, Italy, and Turkey. It provides specialized communications and information systems management for the Army and other authorized organizations and activities that are located in NATO Europe. Units that accomplish this mission and their functions are as follows:

- The 5th Signal Command plans, programs, installs, operates, and maintains fixed and tactical information systems equipment throughout NATO Europe.
- The U.S. Army Information Systems Engineering Command-Europe provides engineering services for information systems in NATO Europe. The commander also serves on the 5th Signal Command staff as the Deputy Chief of Staff for Engineering Implementation.
- The U.S. Army Information Systems Management Activity-European Telephone Systems manages the acquisition, engineering, installation, and logistical support for upgrading the electronic digital switches in West Germany, Belgium, the Netherlands, and northern Italy.
- The U.S. Army World Wide Military Command and Control System Information System/Command and Control System provides the modernization program for information collection, processing, and display systems, including automated data processing and related software systems, procedures, and support to intra-site communications, and is responsible for command and control upgrades in Europe.

Army Intelligence and Security Command

The Army Intelligence and Security Command, which consists of 4,478 military and 239 civilian personnel assigned in Germany, conducts intelligence collection and counterintelligence operations and services in Europe. Its presence in NATO Europe is required to (1) support Army operations plans, (2) conduct cryptologic operations for the Seventh Army Theater, and (3) serve as the tactical intelligence readiness training area coordinator for the U.S. Army, Europe. The Command's mission has recently been expanded to include certain functions in verifying the implementation of the Intermediate-Range Nuclear Forces Treaty.

Army Materiel Command

The Army Materiel Command, Europe, consists of 693 military and 934 civilian personnel assigned in France, Germany, Greece, Italy, Turkey, and the United Kingdom. It exercises centralized control of 11 separate Command activities that are physically located in NATO Europe. The commander of the Army Materiel Command, Europe, works with the U.S. Army, Europe, to meet readiness, modernization, and sustainability requirements. Command units located in Europe and their missions include the following:

- The Armament, Munitions, and Chemical Command helps to introduce new equipment, provides technical assistance and helps train soldiers to operate and maintain equipment, coordinates actions on training devices, and coordinates actions with U.S. Army, Europe, and other commands.
- The Army Missile Command Field Office-Europe coordinates all of its activities in Europe, provides maintenance and supply training and assistance to missile users, and coordinates the fielding of new equipment.
- The Army Aviation Systems Command has logistical assistance representatives in Europe to provide technical assistance and advice.
- The Army Troop Support Command-Europe helps U.S. Army, Europe, field new equipment, provides technical training and advice in developing skills to improve and sustain materiel readiness, and resolves supply and maintenance problems.
- The Army Communications-Electronics Command serves as a quality assurance consultant and provides technical advice and assistance to help the Army field new and modernized equipment to the forces in Europe.
- The Army Tank Automotive Command-Europe works with U.S. Army, Europe's users of the Tank Command's equipment in resolving logistics problems and training personnel and provides information to logistics planners at its headquarters on problems encountered during field operations.
- The Army Depot Systems Command-Europe provides depot-level maintenance and supply support to U.S. Army, Europe; NATO; and other customers for combat tracked vehicles, tactical wheeled vehicles, aviation major components, some missile ground support systems, communications and electronic equipment, and other types of equipment.
- The Army Logistics Assistance Office-Europe provides a focal point for the exchange of information between U.S. Army, Europe; the Army Materiel Command; and the Army Materiel Command-Europe, for improving materiel readiness in NATO Europe.

- The Army Test, Measurement, and Diagnostic Equipment Support Group, 517th Maintenance Battalion, and its three supporting companies provide calibration and maintenance support for general and special-purpose equipment.
- The Army Science and Technology Center-Europe supports research and development programs by reporting scientific and technical information in West and East Europe and the Near East.
- The Army Research, Development, and Standardization Group represents the U.S. Army to German government agencies and defense industries in the areas of research, development, standardization, and interoperability.

Army Criminal Investigation Command

The Army Criminal Investigation Command, which consists of 294 military and 141 civilian personnel assigned in Germany, conducts and controls criminal investigations for the Army in Europe. Upon request, the Command provides personal security for DOD and Army personnel and conducts sensitive or special-interest investigations when directed.

Military Traffic Management Command

The Military Traffic Management Command is made up of 248 military and 278 civilian personnel assigned in Germany, Greece, Italy, the Netherlands, Portugal, Spain, Turkey, and the United Kingdom. It receives and processes cargo being shipped to the United States and from the United States to ports in Europe. The Command operates at port facilities located in Germany, Italy, the Netherlands, Portugal, Spain, Turkey, and the United Kingdom. Command officials said that though not reflected in staffing trends since 1985, the Command's mission in NATO Europe has expanded to accommodate increased quantities of military cargo and personal property shipped to and from European ports.

Army Broadcasting Service

The Army Broadcasting Service, which consists of 171 military and 132 civilian personnel, provides radio/TV services to U.S. service members and their families. It has headquarters in West Germany (the American Forces Network Europe) and Italy (Southern European Broadcasting).

Army Troop Support Agency

The Army Troop Support Agency consists of 118 military and 1,513 civilian personnel assigned throughout NATO Europe. It operates and manages the Army commissary system in Europe and supports the

Army logistics staff by providing other services such as laundry, dry cleaning, and field bakery services and clothing sales.

Corps of Engineers

The Corps of Engineers, which is made up of 44 military and 872 civilian personnel assigned in Belgium, Germany, Greece, the Netherlands, and Turkey, serves as DOD's construction agent. It manages design and construction programs for the Army and all other DOD activities located in Europe. The Corps oversees construction work, among other things, for NATO's infrastructure program; participates in wartime and peacetime contingency planning; and provides engineering support services.

Training and Doctrine Command

The Training and Doctrine Command consists of 32 military and 27 civilian personnel assigned in France, Germany, Italy, and the United Kingdom. Its personnel are assigned in Europe to exchange information on training and doctrine with the U.S. Army and the Army staff of NATO European countries. The Command's liaison officers also assist in promoting standardized doctrine and tactics among the allied military services.

Army Community and Family Support Center

The Army Community and Family Support Center is staffed by 10 military and 181 civilian personnel assigned in Italy and Germany. It provides management support for morale, welfare, and recreation activities established for Army personnel and their families throughout NATO Europe. Some of the Command's services include managerial training for morale, welfare, and recreation employees; internal review and audits of non-appropriated fund activities; and oversight of financial activities for non-appropriated fund activities.

Army Surgeon General

The Army Medical Research Unit-Europe, which is made up of six military and seven civilian personnel assigned in Germany, is part of the Army Surgeon General's Walter Reed Army Institute of Research. The unit's role is to determine factors that influence the distribution and spread of psychiatric casualties and performance breakdown in a deployed army. The unit also develops and executes research on behavioral and medical problems affecting soldiers and their families as a consequence of being assigned outside of the United States.

Army Audit Agency

The Army Audit Agency, which is staffed by 103 civilians assigned in Germany, provides audit and advisory management services to all command levels in Europe. The Army Audit Agency conducts financial, economy and efficiency, and program results audits throughout the Army command structure to provide independent and objective audit service to the Department of the Army.

U.S. Air Force Commands and Special Operating Activities Headquartered in the United States With Permanent Presence in NATO Europe

Twenty Air Force commands, special operating activities, and direct reporting units that are headquartered in the United States also maintain a permanent presence in NATO Europe. These commands assign about 29,000 troops in NATO Europe and together constitute about 31 percent of the total Air Force military presence there. This appendix contains a brief description of the support these commands provide to the U.S. Air Force in NATO Europe.

Air Force Communications Command

The Air Force Communications Command is made up of 9,901 military and 633 civilian personnel assigned in Belgium, Berlin, Crete, France, Germany, Greece, Italy, the Netherlands, Norway, Spain, Turkey, and the United Kingdom. It manages, operates, and maintains communications, data automation, and air traffic control systems. These systems provide normal day-to-day administrative and operational support to Air Force units and specialized command and control capability to commanders in NATO Europe and the Middle East.

Military Airlift Command

The Military Airlift Command consists of 7,765 military and 1,864 civilian personnel assigned in the Azores, Belgium, Germany, Iceland, Italy, the Netherlands, Turkey, and the United Kingdom. It provides airlift support, meteorological support, aerospace environmental support, and audiovisual services for 100 units and personnel. During peacetime, it manages the U.S. strategic airlift system and provides the European command with an immediate, in-place capability that can be expanded in wartime.

Electronic Security Command

The Electronic Security Command, which consists of 4,145 military and 18 civilian personnel assigned in Berlin, Crete, Germany, Italy, and the United Kingdom, develops and applies communications security techniques and materials. The Command's units ensure that friendly command and control communications are secure and protected from enemy countermeasures. The Command also advises U.S. and allied commanders concerning procedures and techniques that can be used to counter enemy command and control communications.

Air Force Elements/ Air Force Elements, Europe

The Air Force Elements and Air Force Elements, Europe, two separate commands, are made up of 2,924 military and 4 civilian personnel assigned in Belgium, Denmark, France, Germany, Greece, Iceland, Italy, the Netherlands, Norway, Portugal, Spain, Turkey, and the United Kingdom. These personnel are assigned to support the Joint Chiefs of Staff at the unified European Command, the U.S. Mission to NATO, State Department embassies and posts, and other non-Air Force organizations throughout NATO Europe.

Strategic Air Command

The Strategic Air Command consists of 1,438 military and 8 civilian personnel assigned in Germany, Spain, and the United Kingdom. Its worldwide mission is to support strategic warfare, strategic reconnaissance, and air refueling.

Tactical Air Command

The Tactical Air Command is made up of 1,366 military and 73 civilian personnel assigned in the Azores, Germany, Greenland, Iceland, and Spain. It provides air defense to Iceland, ensures early warning and aircraft control, and provides support to Air Force organizations and personnel stationed in Iceland.

Air Force Office of Special Investigation

The Air Force Office of Special Investigation consists of 379 military and 65 civilian personnel assigned in the Azores, Belgium, France, Germany, Greece, Italy, the Netherlands, Spain, and the United Kingdom. It provides investigative services, personal protection services, information collection services, and counterintelligence services to the Air Force and other DoD activities.

Air Force Information Service and News Center

The Air Force Information Service and News Center is made up of 296 military and 16 civilian personnel assigned in the Azores, Crete, Germany, Iceland, Italy, Norway, Spain, and Turkey. The Air Force European Broadcasting Squadron, a unit of the Center, provides radio and television information and entertainment programming to DoD personnel and their families in NATO Europe.

Air Force Space Command

The Space Command consists of 268 military and 5 civilian personnel assigned in Denmark, Germany, Greenland, and Turkey. It operates and maintains the ballistic missile early warning system and satellite tracking stations located in Greenland and collects data on space and missile events from its facilities in Turkey.

Air Training Command

The Air Training Command is staffed by 203 military and 2 civilian personnel assigned in Germany, Spain, and the United Kingdom. Its field training detachments and operating units train technicians and other personnel on weapon systems and associated equipment, help units carry out their training programs, ensure that equipment required to carry out training programs is ready to use, maintain simulators, teach special courses, and advise U.S. Air Forces in Europe on Air Force-wide training programs and objectives.

Air Force Commissary Service

The Air Force Commissary Service consists of 155 military and 637 civilian personnel assigned in Belgium, Germany, Greece, Italy, the Netherlands, Norway, Spain, Turkey, and the United Kingdom. It operates Air Force dining halls and supports Air Force personnel in the field during exercises and deployments. The Command also operates commissary resale stores, providing merchandise to DoD personnel and other authorized patrons.

Air Force Intelligence Agency

The Air Force Intelligence Agency, which is staffed by 72 military and 23 civilian personnel assigned in Germany, plans, organizes, and directs Human Resources Intelligence activities to satisfy validated aerospace intelligence collection requirements.

Air Force Logistics Command

The Air Force Logistics Command is made up of 64 military and 184 civilian personnel assigned in Belgium, Germany, Greece, Italy, the Netherlands, Portugal, Spain, Turkey, and the United Kingdom. It acts as the overseas contract administration arm for the U.S. Air Force; provides logistics support, including depot maintenance, engineering assistance, and the storage and distribution of critical supplies; and assists in fielding new weapon systems.

Air Force Legal Services Center

The Air Force Legal Services Center is staffed by 57 military personnel assigned in Belgium, Germany, Greece, Italy, the Netherlands, Spain, Turkey, and the United Kingdom. It provides legal services in the areas of military justice, patents, claims, tort and general litigation, labor law, environmental law, contract law, and preventive law to Air Force personnel stationed in NATO Europe.

Air Force Technical Applications Center

The Air Force Technical Applications Center is staffed by 53 military and 1 civilian personnel in classified locations. The Center operates Seismic and Electromagnetic Pulse detachments in NATO Europe. The Center's units maintain delicate scientific equipment within the United States Atomic Energy Detection System.

Air Force Systems Command

The Air Force Systems Command is made up of 50 military and 35 civilian personnel assigned in Belgium, France, Germany, Italy, the Netherlands, and the United Kingdom. Its units exchange scientific and technical information with allied governments, help activate new weapon systems, and serve as liaisons to NATO European countries that are acquiring American weapon systems.

Air University

The Air University is staffed by 17 military personnel assigned in Germany, France, and the United Kingdom. These personnel are students at selected civilian institutions, agencies, and industries in NATO European countries.

Air Force Audit Agency

The Air Force Audit Agency, which is made up of 5 military and 65 civilian personnel assigned in Germany, Spain, and the United Kingdom, provides Air Force managers with an independent evaluation of Air Force operations. The Agency reviews the economy, efficiency, and effectiveness of financial, operational, and support activities wherever Air Force units are stationed.

Air Force Operational Test and Evaluation Center

The Air Force Operational Test and Evaluation Center, which is staffed by four military and two civilian personnel assigned in Germany, conducts operational testing on Air Force systems that are now used in NATO Europe or would be used there in the event of war, under conditions that cannot be simulated in the United States.

U.S. Navy Commands and Special Operating Activities Headquartered in the United States With Permanent Presence in NATO Europe

Eighteen Navy commands and special operating activities that are headquartered in the United States also maintain a permanent presence in NATO Europe. These commands assign about 9,400 troops in NATO Europe and together constitute about 72 percent of the total Navy presence there. This appendix contains a brief description of the support these commands provide to the U.S. Navy in NATO Europe.

Office of the Commander-in-Chief, U.S. Atlantic Fleet

The Office of the Commander-in-Chief, Atlantic Fleet, is staffed by 2,539 military and 870 civilian personnel assigned in Iceland, Italy, Portugal, Spain, and the United Kingdom. It is responsible for the administration, training, maintenance, support, and readiness of the Atlantic Fleet, including those forces temporarily assigned to the operational command of the Commander-in-Chief of the Naval Forces, Europe.

Naval Telecommunications Command

The Telecommunications Command is made up of 2,121 military and 415 civilian personnel assigned in Greece, Iceland, Italy, Spain, and the United Kingdom. It manages, operates, and maintains elements of the Defense Communications System, including Naval Communications Stations; Naval Communications Units; and the Naval Communications Area Master Station, Mediterranean, in Italy.

Central Operating and Program Support Division and Central Operating Activity

The Program Support Division and the Central Operating Activity are staffed by 1,089 military personnel assigned in Belgium, Denmark, France, Germany, Gibraltar, Greece, Iceland, Italy, the Netherlands, Norway, Portugal, Spain, Turkey, and the United Kingdom. The Program Support Division performs administrative functions and controls military personnel expenses, provides budget support services, and coordinates military personnel matters for congressional programs and budgets.

The Central Operating Activity handles military pay and administrative matters for Navy personnel who are assigned to joint and unified commands, NATO, or other non-Navy organizations.

Naval Medical Command

The Medical Command is made up of 801 military and 147 civilian personnel assigned in Germany, Greece, Iceland, Italy, Spain, and the United Kingdom. It develops, operates, and manages health care systems for the Navy and the Marine Corps and operates all naval hospitals and clinics in NATO Europe.

Office of the Chief of Naval Operations, Assistant for Field Support

The Office of the Chief of Naval Operations, Assistant for Field Support, is staffed by 322 military and 114 civilian personnel assigned in Belgium, Greece, Iceland, Italy, Norway, Portugal, Spain, and the United Kingdom. The Assistant for Field Support serves as the principal advisor to the Assistant Vice Chief of Naval Operations for the management of funds, manpower, and facilities.

Naval Supply Systems Command

The Supply Systems Command is made up of 129 military and 325 civilian personnel assigned in Greece, Iceland, Italy, Portugal, Spain, and the United Kingdom. It provides materiel support, acquisition and fleet support, supplies, and supporting services for operating forces of the Navy and the Marine Corps.

Naval Oceanography Command

The Oceanography Command is staffed by 152 military and 7 civilian personnel assigned in Greece, Iceland, Italy, Portugal, Spain, and the United Kingdom. It manages oceanography, meteorology, mapping, charting, and geodesy activities and provides technical guidance for Navy commanders in NATO Europe.

Naval Intelligence Command

The Intelligence Command is made up of 117 military personnel assigned in Germany, Iceland, Italy, Portugal, Spain, and the United Kingdom. It directs and manages intelligence functions, including collection, production, dissemination, and evaluation.

Office of the Chief of Naval Personnel

The Office of the Chief of Naval Personnel is staffed by 48 military personnel assigned in Germany, Italy, and the United Kingdom. It directs the procurement, distribution, administration, and career motivation of the military personnel of the regular and reserve components of the Navy and manages and administers the Navy's civilian personnel and equal employment opportunity programs.

Military Sealift Command

The Military Sealift Command is made up of 44 military and 52 civilian personnel assigned in Germany, Italy, the Netherlands, and the United Kingdom. It provides strategic sealift, fleet auxiliary, and special mission forces to deploy and sustain U.S. military forces worldwide.

Naval Facilities Engineering Command

The Engineering Command is staffed by 35 military and 144 civilian personnel assigned in Iceland, Italy, Portugal, Spain, and the United Kingdom. It provides materiel and technical support for shore facilities, real property, utilities, and fixed ocean systems and structures.

Naval Air Systems Command

The Naval Air Systems Command is made up of 30 military and 69 civilian personnel assigned in Italy, Portugal, Spain, and the United Kingdom. It provides aeronautical weapon systems materiel support for the operating forces of the Navy, the Marine Corps, and other organizations.

Naval Education and Training Command

The Training Command is staffed by 15 military personnel assigned in France, Germany, Italy, Norway, Spain, and the United Kingdom. It provides shore-based education and training for Navy and other personnel and develops specifically designated education and training programs for the fleet.

Office of the Deputy Under Secretary of the Navy (Policy)

The Office of the Deputy Under Secretary of the Navy (Policy) is staffed by 6 military and 12 civilian personnel assigned in Italy and Spain. These personnel may be called upon to conduct special studies or develop policies or action plans and represent the Office of the Secretary of Defense.

Naval Sea Systems Command

The Naval Sea Systems Command is made up of six military and four civilian personnel assigned in Germany, Spain, and the United Kingdom. It provides materiel support for operating forces of the Navy and the Marine Corps for ships, submarines, shipboard combat systems and components, and other surface and undersea warfare and weapon systems.

Office of the Chief of Naval Research

The Office of the Chief of Naval Research, which is staffed by 5 military and 31 civilian personnel assigned in the United Kingdom, coordinates research programs throughout the Navy. The activity advises and disseminates research and development findings and trends to naval, private, and government activities; administers activities within or on behalf of the Navy relating to patents, inventions, and royalty payments; and executes contracts for research at educational and other nonprofit institutions.

Appendix V
U.S. Navy Commands and Special Operating
Activities Headquartered in the United States
With Permanent Presence in NATO Europe

**Strategic Systems
Program Office**

The Strategic Systems Program Office is made up of two military and three civilian personnel assigned in the United Kingdom. It provides materiel support for fleet ballistic missile and strategic weapon systems, including missiles, platforms, and associated equipment.

**Space and Naval
Warfare Systems
Command**

The Space Command is staffed by 1 military and 16 civilian personnel assigned in the United Kingdom. It provides materiel and technical support to the Navy and the Marine Corps for space systems; command, control, and communications and intelligence systems; electronic warfare; and undersea surveillance.

Comments From the Department of Defense

Note: GAO comments supplementing those in the report text appear at the end of this appendix.



INTERNATIONAL
SECURITY POLICY

ASSISTANT SECRETARY OF DEFENSE
WASHINGTON DC 20301 2600

20 JUN 1989

In reply refer to:
1-69/33295

Mr. Frank C. Conahan
Assistant Comptroller General
National Security and International
Affairs Division
United States General Accounting Office
Washington, D.C. 20548

Dear Mr. Conahan:

This is the Department of Defense (DoD) response to the General Accounting Office (GAO) Draft Report, "MILITARY PRESENCE: U.S. Personnel in NATO Europe," dated April 14, 1989 (GAO Code 464127/OSD case 7961).

Since the report makes no recommendations, the DoD comments are focussed on the data. The primary variances in the statistics are due to a difference in methodology. The DoD used centralized top-down counting, while the GAO used an inconsistent and non-linking approach. It is the DoD position that the former method offers the most accurate count of troop strength. The DoD decided on the centralized method in order that the Department could constantly and accurately account for our troop strength in Europe. This approach is more complete and avoids the problem of double counting.

The detailed DoD comments on the report findings are provided in the enclosure. The Department appreciates the opportunity to comment on the draft report.

Sincerely,

A handwritten signature in dark ink, appearing to read "Bob Joseph".

Robert G. Joseph
Assistant Secretary of Defense
International Security Policy
(Acting)

Enclosure

See pp 5 and 33

Appendix VI
Comments From the Department of Defense

GAO DRAFT REPORT - DATED APRIL 14, 1989
(GAO CODE 464127) OSD CASE 7961

"MILITARY PRESENCE: U.S. PERSONNEL IN NATO EUROPE"

DEPARTMENT OF DEFENSE COMMENTS

* * * * *

FINDINGS

FINDING A: U.S. Presence in Europe. The GAO found that, since World War II, as part of its commitment to the North Atlantic Treaty Organization (NATO), the United States has maintained a large permanent military presence in Europe. The GAO observed that the U.S. strength in Europe has fluctuated, influenced by international events and the perceived threat to U.S. security. The GAO noted that, in the 1980s, the number of U.S. personnel stationed in Europe became a focus of debate in the Congress because many in the Congress (1) believed that a more equitable sharing of NATO defense cost was called for and (2) questioned the U.S. allocation of an average of 5.5 percent of its gross domestic product to defense, while six NATO countries allocated less than 3 percent. The GAO observed that, in 1984, the Congress established a permanent European troop strength ceiling limiting shore-base assignments to 326,414 Uniformed Military Personnel. (pp. 1-2, pp. 14-16/GAO Draft Report)

DoD Response: Partially Concur. The FY 1983 Defense Appropriations Act (signed in December 1982) first established the European Troop Strength ceiling; its original level was 315,600, and it allowed a Presidential waiver for Ground Launched Cruise Missile spaces. In June of 1983, the President notified Congress that an additional 1,380 spaces would be included in the European Troop Strength ceiling.

The FY 1984 Defense Authorization Act extended the ceiling at 315,600, with two conditions; first, an additional 2600 spaces could be added for Ground Launched Cruise Missile deployment; second, the ceiling would be increased to 320,000, if DOD provided various studies and certifications. These conditions were met, effectively increasing the ceiling to 320,000, plus 2600 for the Ground Launched Cruise Missile. The figure 326,414 cited in the draft was enacted in FY 1985 by the Defense Authorization Act; this ceiling was made permanent (no longer subject to annual review and revision), and was set at a level to include the Ground Launched Cruise Missile spaces needed through FY 1985 (so Ground Launched Cruise Missile waivers were included).

Enclosure

Now on pp. 2 and 13-14

See comment 1 and p. 14

See comment 1 and p. 14.

The DoD and congressional staffers negotiated the geographical region to be covered by the ceiling (based on end strength accounting conventions, which included areas not actually "ashore in Europe," such as Greenland, Iceland, and the Azores). The original ceiling level (FY 1983) was legislated at the level actually achieved in FY 1982. Subsequent upward adjustments in the ceiling (through FY 1985) were pegged to DoD program plans. Indirectly, therefore, the U.S. Europe Command official's speculation is correct: 326,414 was the level that the DoD had programmed for FY 1985. On the matter of European Troop Strength reporting, the U.S. Commander-in-Chief is the authority for providing the official end strength data for Europe.

FINDING B: U.S. Personnel In Europe. The GAO reported that, on September 30, 1987, the U.S. presence in NATO countries (including resources located in the Azores, Greenland and West Berlin) totaled about 766,000 personnel: 319,000 military; 151,000 U.S. and foreign national employees; and 296,000 dependents. The GAO further reported that, since 1980, U.S. military resources in NATO Europe have increased. The GAO noted that Air Force officials cited the fielding of the Ground Launched Cruise Missile as the primary reason for the increase in its military personnel. The GAO further noted the Navy claimed that the reorienting of its ground-based commitment was the principal cause of its increases in military personnel. The GAO reported that, in the early 1980s, the DoD initiated a program to reduce the number of military personnel in support positions and replace them with civilians. The GAO found that all the Services (except the Marine Corps, which employs no civilians) had significant increases in civilian employees and that the support reductions program contributed to that increase. The GAO commented that, because data was not centrally available, it contacted various headquarters, commands, agencies and units, which resulted in many instances of mixing sources and types of data. The GAO also observed that some duplicate counting was unavoidable, such as dependents who were counted as dependents and as civilian employees. (The GAO noted that the Army estimated that 67 percent of its civilian employees were dependents and that the corresponding Air Force estimate was 64 percent.) (pp. 3-6, p. 13, pp. 31-33/GAO Draft Report)

DoD Response: Partially Concur. The DoD disagrees with the GAO on the number of personnel reported in NATO Europe. The GAO report does not reflect the Department's official manpower data for Europe as provided by the U.S. Commander-in-Chief, Europe. Thus, the figures included in the GAO report do not represent the official U.S. military presence in Europe.

The following table provides a comparison of the Department's published manpower data for FY 1987 with the figures contained in the draft GAO report.

Now on pp. 3-4, 12, and
30-33

See pp. 5 and 33

Appendix VI
Comments From the Department of Defense

3

	(Manpower in Thousands)	
	GAO Report	DoD Data*
Military Personnel	319.0	324.7
Civilian Personnel:		
Military Department Employees		
Appropriated Fund		
U.S.	27.4	32.0
Foreign National	72.6	69.4
Non-Appropriated Fund (NAF)		
U.S.	11.6	N/A
Foreign National	4.5	N/A
Defense Agency Employees		
Appropriated Fund		
U.S.	.2	9.9
Foreign National	.9	1.7
DODDS/AAFES Employees		
Appropriated Fund		
U.S.	8.5	N/A
Foreign National	.7	N/A
NAF		
U.S.	15.4	N/A
Foreign National	8.8	N/A
Dependents:		
Of Military Personnel	275.3	294.5
Of U.S. Appropriated Fund		
Civilians	20.8	15.7
Total Manpower	765.7	832.0
Military Personnel	319.0	324.7
Civilian Personnel	150.6	162.0 **
Dependents	296.1	345.3 ***

* Source: "Selected Manpower Statistics, FY 1987"

** GAO figures for non-appropriated fund employees would increase the total by 49,000 to 162,000 strength.

*** Includes 35.2 thousand dependents associated with the additional civilian employees included in the previous footnote.

The GAO uses a variety of decentralized sources for its personnel counts. Consequently, the GAO report contains several inconsistencies. For example, the total Army civilian employment is cited as 93,920 in one instance and as 98,096 in another. Additionally, the GAO report includes foreign national employees in the total number stationed in the 14 NATO European countries. Although these personnel are employed by the Department, they are not part of the U.S. military.

See pp 5 and 33

See p 33

Appendix VI
Comments From the Department of Defense

4

See pp 3, 12, 32, 35, 46,
and 56

See comment 2

presence in Europe. The GAO figures also include dependents and civilian employees of the Department as both dependents and civilian employees. By double counting these individuals, the GAO overstates the total U.S. presence in Europe.

Finally, the GAO has not mentioned the extent to which bilateral agreements between the U.S. and its allies have limited the U.S. troop strength in Europe. For example, the U.S. has agreements with the Federal Republic of Germany to provide over 83,000 German reservists (176 German units) for Combat Support and Combat Service Support for U.S. Main forces.

FINDING C: Budget Authority. The GAO reported that, during FY 1987, the DoD allocated more than \$4.2 billion in budget authority for operations and maintenance, other procurement, military construction, family housing, and other programs in NATO Europe. The GAO noted, however, that it is estimated that about 60 percent of the DoD total budget--about \$170 billion--is driven by NATO-related responsibilities. The GAO pointed out that the exact amount, which is difficult to ascertain, depends on how U.S. responsibilities are defined and what forces are included. The GAO observed that operations and maintenance accounts fund all basic unit activities and provide a clear indication of U.S. military presence and its trends. The GAO found that, between FY 1980 and FY 1987, all the Services experienced large increases in their operations and maintenance accounts. The GAO illustrated these increase with the following table:

CHANGES IN BUDGETS IN THE MAJOR EUROPEAN COMMANDS

<u>Operations and Maintenance Budget (billions)</u>	
U.S. Army, Europe	
1980	1.850
1987	3.860
Change	+ 111 percent
U.S. Air Force, Europe	
1980	0.652
1987	1.260
Change	+ 94 percent
U.S. Navy, Europe	
1980	0.141
1987	0.190
Change	+ 35 percent

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According to the GAO, these increases were not adjusted for inflation of foreign currency fluctuations. The GAO noted that the commands attributed much of the increase to additional mission requirements, civilianization of military positions, and other initiatives. (pp. 6-8, p. 13, p. 15, pp. 29-30/GAO Draft Report)

DoD Response: Partially Concur. The DoD does not agree on the cost of the U.S. commitment to NATO.

The Department has consistently held that the way to address congressional concern over the costs of the U.S. commitment to the NATO is to evaluate alternative force deployments, while not adding to the current level of risk in defending U.S. national security interests. For this purpose, the Department has, in the past, analyzed various options and has concluded that the only alternatives that would save money fail to preserve current risk levels. These options withdrew forces from Europe, de-activated them (keeping them in the reserves), and failed to provide the additional prepositioning, or the additional sea or airlift needed to ensure their return, even by M+30. When added sealift (only), or added airlift and prepositioning (combined), were provided to ensure forces availability by M+30, or M+10, respectively, the Department estimated an additional \$3 to \$19 billion was required over a five year period, in constant FY 1986 dollars.

The GAO stated that the DoD estimates that 60 percent of its budget is driven by NATO-related responsibilities. This amounts to roughly \$170 billion. The GAO also finds that, for FY 1987, the Department allocated \$8.2 billion to support the U.S. military presence in NATO Europe. The Department objects to the lack of qualification in the GAO presentation of these of those two figures. The \$8.2 billion figure may be represented as an estimate of the on-scene annual outlays required to support the U.S. presence. This does not take into account the considerable investment, research and development, recruiting, and training overhead required to support U.S. forces overseas. This estimate is not comparable to the \$170 billion figure.

The Department would also like to correct the inference that the cost of its national security interests can be isolated by geographical theater. There is no "NATO/non-NATO" seam in the U.S. force structure. Some U.S. forces stationed in Europe are there in the service of other-than-NATO interests, while some of the forces in the U.S. are available for NATO requirements.

By congressional direction, the Department submits an annual estimate purported to represent the cost of U.S. forces

Now on pp 29-30, 32, and 34

See comment 3

See pp 5 and 34

See pp 14 and 34

committed to the NATO. The law requires that this will include procurement, research and development, and other investment costs, which of course can and do vary quite independently of U.S. force structure commitments to the NATO. Allocation of these accounts to any given mission or geographical theater is arbitrary and analytically indefensible. The estimate required by the Congress must furthermore include all forces listed in the U.S. response to the NATO Defense Planning Questionnaire, not just those in-place in Europe or designated for early reinforcement of the NATO. Thus, forces are included that are designated primarily for use outside of the NATO.

FINDING D: Real Purchasing Power. In connection with the operations and maintenance budget discussed above, the GAO reported that (according to Army and Air Force officials), since FY 1980, the Army's real purchasing power (adjusted for inflation and foreign currency fluctuations) increased 55 percent, while the Air Force real purchasing power increased by 18 percent (as opposed to the Army gain of 111 percent and the Air Force 84 percent, shown in the table). However, the GAO questioned the validity of the inflation factors and exchange rates used by the Army and the Air Force in the calculations.

The GAO noted, for example, that at the request of the GAO, U.S. Army, Europe, officials estimated the Command's real growth in spending authority since 1980. The GAO observed that the methodology used was to calculate DoD-provided inflation factors, changes in budgeted exchange rates, and the percent of total budget authority used to make purchases in foreign currencies. The GAO further noted that, similarly, officials of the U.S. Air Force, Europe, estimated that Command's real growth in spending authority. The GAO found that, to do so, these officials used inflation rates identified in Air Force regulations, estimates of inflation in NATO European countries derived by the Command, and budgeted foreign currency rates weighed to reflect the percentage of expenditures in each country. While the GAO agreed with the objectives of the Command methodologies, the GAO did not agree that their methodologies achieved those objectives. First, the GAO observed that the Commands used budgeted exchange rates rather than actual. The GAO also observed that the Army used DoD-provided inflation factors instead of actual inflation for the country; while the Air Force used country-unique inflation factors derived from market basket surveys. The surveys could not be verified by the GAO. The GAO held that actual exchange rates and inflation rates for the countries should have been used. The GAO stated that, because actual exchange and inflation rates were not available, it did not compute the real growth in purchasing power. The GAO did agree, however, that the real growth in purchasing power is less than that expressed in unadjusted dollars. (pp. 7-8, pp. 46-47, pp. 59-60 GAO Draft Report)

See comment 4

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See comment 4

DoD Response: Partially Concur. The Department agrees that it is extremely difficult to compute the growth in real purchasing power in Europe because 15 different countries are involved and a variety of commodities are being purchased. Not all of these commodities are subject to country-unique inflation rates. The GAO should adjust the FY 1987 budget authority by the historical DoD budget authority deflators to determine the growth in real purchasing power in Europe, since the budget authority deflators incorporate spend out rates. After the Army budget authority for FY 1987 is adjusted by the DoD deflators, the growth in real purchasing power between FY 1980 and FY 1987 is 56 percent. The growth in Air Force operations and maintenance real purchasing power is 49 percent. Between FY 1985 and FY 1987 the growth in Navy operations and maintenance real purchasing power is 20.6 percent. Foreign currency rates have experienced substantial fluctuations in the years between FY 1980 and FY 1987. However, a comparison of the FY 1980 and FY 1987 rates for the NATO countries indicates that such fluctuations have not significantly impacted the growth in real purchasing power in FY 1987.

See pp 29-30 32, 44
52-55, and 61

FINDING E: Commander-in-Chief, Europe. The GAO reported that the U.S. Commander-in-Chief, Europe, is responsible for (1) managing the European troop strength for the Joint Chiefs of Staff and the Secretary of Defense and (2) allocating the 326,414 Military positions to the Services. The GAO observed that these allocations have varied little since 1985. The GAO noted that the European Command reported the September 30, 1987 end strength to be 326,055. The GAO observed that the Unified U.S. European Command has peacetime control of the 83 percent of U.S. military forces in Europe in the component commands. In addition, the GAO observed that about 54,700 other U.S. military personnel (not assigned to the component commands) are under European Command control while permanently assigned to Europe. The GAO listed the European Command's roles as well as displaying the geographical area for which it is responsible. (pp. 17-20 GAO Draft Report)

Now on pp 14 18

See pp 5 and 33

DoD Response: Concur. (Note the technical correction concerning the September 30, 1987 end strength number, provided in the DoD response to Finding A.)

FINDING F: U.S. Presence by Country And Organization. The GAO reported that the U.S. presence is comprised of the following components:

- the U.S. Army, Air Force, and U.S. Army commands;
- the U.S. Army, Air Force, and U.S. Army commands;
- the U.S. Army, Air Force, and U.S. Army commands;

See comment 6

AD-A213 263

MILITARY PRESENCE: US PERSONNEL IN NATO EUROPE(U)
GENERAL ACCOUNTING OFFICE WASHINGTON DC NATIONAL
SECURITY AND INTERNATIONAL AFFAIRS DIV 06 OCT 89

2/2

UNCLASSIFIED

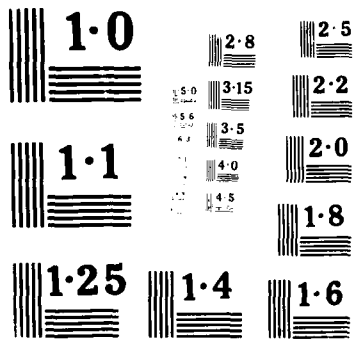
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- the U.S. Air Force, Europe, and 20 Air Force commands;
- six Defense Agencies;
- the Army and Air Force Exchange Service.

The GAO also reported that U.S. Forces are assigned to 14 NATO countries, Greenland, the Azores and West Berlin. The GAO displayed the U.S. military presence by country and by organization. (pp. 20-29/GAO Draft Report)

DoD Response: Partially Concur. The DoD agrees with the countries designated by the GAO, but disagrees with the numbers, as indicated in the cover letter and the DoD responses to various Findings.

FINDING G: U.S. Army Presence. The GAO reported that the U.S. Army accounts for about 61 percent of the total U.S. military presence in Europe. The GAO noted that U.S. Army, Europe, is the major U.S. Army combat element in Europe, commanding about ninety-three percent of the Army's military and civilian personnel in Europe, with about 80 percent of its military forces assigned to its six combat commands. The GAO found that, since 1980, the U.S. Army, Europe, military presence has remained steady, while its civilian presence has increased. In listing the 12 countries to which Army personnel are assigned, the GAO observed that almost 95 percent of these are in West Germany. (pp. 34-37, p. 39/GAO Draft Report)

DoD Response: Concur.

FINDING H: Command Structure of U.S. Army Europe. The GAO reported that, in peacetime, the U.S. Army, Europe, operates under a dual chain of command, with the Department of the Army providing funding and directing Service-oriented matters and the Joint Chiefs of Staff, through the Unified U.S. European Command, overseeing missions. The GAO noted that, should a war occur, U.S. Army, Europe, combat forces would be transferred to NATO control, while combat support and combat-service support would remain U.S. responsibilities.

The GAO set forth the U.S. Army, Europe, command structure and missions. The GAO noted that the Commander, U.S. Army, Europe, stated that his mission of deterrence had not changed, but that elements have been added and deleted over the years, and cited the following examples:

- fielding of the PERSHING II;
- capability to reinforce with ten divisions in 10 days;
- inclusion of most of Africa in his area of responsibility;
- adjustments to accommodate the NATO forward defense strategy;

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- increased pre-positioned material;
- increased war reserve stocks;
- modernization of weapon systems;
- upgrading readiness; and
- improved living conditions for soldiers.
(pp. 37-40/GAO Draft Report)

Now on pp 37-40

DoD Response: Partially concur. The assertion that combat support and combat service support would remain U.S. responsibilities following the statement that U.S. Army combat forces would be transferred to NATO control is misleading. Combat support and combat service support units would also come under NATO command. Indeed, command of combat units without their needed support units would prove untenable. A correct statement is "...U.S. Army, Europe, combat forces; and U.S. and foreign assigned combat support and combat service support units would be transferred to NATO control. The U.S. would be responsible for provision of supplies to U.S. units."

See comment 1 and
pp 37-38

FINDING I: Community Support Structure. The GAO reported that, in Europe, the Army has a unique support structure, in which nearly all Army units are supported by one of 39 separate military communities. The GAO listed these communities at Appendix II in the report. (p. 40, pp. 78-80/GAO Draft Report)

Now on pp 40 and 72-74

DoD Response: Concur.

FINDING J: U.S. Army, Europe, Increased Civilian Employment. The GAO reported that the U.S. civilian employment of U.S. Army, Europe, increased 38 percent, with the largest increase between 1980 to 1981. The GAO found that the command's civilian employees paid with appropriated funds increased by 75 percent. The GAO reported that, according to command officials, this increase was needed to:

- reduce the number of military personnel borrowed for support functions;
- replace military in force modernization positions;
- reduce the real property maintenance backlog;
- support Prepositioned Materials Configured in Unit Sets;
- support ammunition storage and handling; and
- Staff the Northern Army Group region.

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The GAO noted that, with congressional support, the Army encourages the employment of family members and, as of September 30 1987, employed 19,400 dependents. The GAO found, however, that, because of the demand, the Army hires dependents in some positions earmarked for foreign nationals. (pp. 41-44/GAO Draft Report)

DoD Response: Concur. (Note the technical corrections provided in the DoD Response to Finding B.)

FINDING K: U.S. Army, Europe, Budget Authority Has Increased Significantly. The GAO observed that the DoD allocated \$5.28 billion to operate and maintain Army activities in NATO Europe in FY 1987. The GAO further observed that, between 1980 and 1987, the U.S. Army, Europe, budget authority increased from about \$2.3 billion to \$4.5 billion. The GAO found that, in 1987, operations and maintenance funds consumed 84 percent of the command's total budget. The GAO reported that, according to command officials, the operations and maintenance increases reflected the need to:

- offset foreign exchange rates;
- hire increased civilians;
- increase real property maintenance; and
- pay increased operating costs of new weapon systems.

The GAO charted the U.S. budget authority for various appropriations during the period FY 1980 through FY 1988. (pp. 34-35, pp. 44-45/GAO Draft Report)

DoD Response: Partially concur. A correct statement would be "The DoD allocated \$5.28 billion to support U.S. Army, Europe, and other Army activities in NATO Europe in FY 1987." This is because the \$5.28 billion cited in the report includes procurement, family housing, military personnel, and NATO infrastructure funds, as well as operation and maintenance funds.

It is agreed that support costs continue to increase. The Army, in particular, is saddled with hundreds of older kasernes many of which were built in the 1930s and acquired by the occupation forces after the war. These older facilities require a constant program of maintenance and repair. When appropriated funds and real estate is available, new construction is preferred. Additionally, since 1980, there has been a marked increase in the NATO funded construction for U.S. Army requirements (mostly for prepositioned material and ammunition storage). The user nation, vice the NATO, is responsible for operations and maintenance costs associated with NATO facilities.

(In addition, see corrections provided in the DoD responses to Finding A, Finding C, and Finding E.)

Now on pp 42-44

See pp 5 and 33

Now on pp 35 and 44-45

See comment 1 and p 35

See p 14, pp 5, 14, 29-30
32-34 and comment 4

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See comment 5.

FINDING L: Eleven Army Commands In Europe Are Headquartered In The U.S. The GAO reported that, at the close of 1987, eleven Army Commands or special activities headquartered in the United States, maintain a permanent presence in NATO Europe. These commands assign about 1500 troops in NATO Europe and constitute about 7 percent of the total Army presence there. An additional 7,500 civilian employees were

also assigned to NATO Europe. The GAO found that most of these commands had little or no change to their military staffing levels since 1985. The GAO listed these Army commands and their functions in Europe in Appendix III of the report. (p. 47, pp. 81-88/GAO Draft Report)

DoD Response: Concur.

FINDING M: Air Force Presence In Europe. The GAO reported that, on September 30, 1987, the U.S. Air Force in NATO Europe consisted of approximately 94,000 military, 16,000 U.S. and foreign national employees, and 106,000 dependents. The GAO found that both military and civilian strengths have grown since 1981. The GAO listed the 14 NATO countries to which Air Force personnel are assigned, and noted that 46 percent were located in Germany and 28 percent in the United Kingdom. The GAO found that the U.S. Air Force Europe, comprised 70 percent of the total, while 12 separate Air Force commands, headquartered in the U.S., stationed the other 30 percent of these personnel in Europe. The GAO noted that these personnel provide operational and logistic support. (The GAO listed these Air Force commands and special operating activities and their functions in Appendix IV of the draft report.) (pp. 48-56, pp. 89-95/GAO Draft Report)

DoD Response: Nonconcur. The numbers included for the Air Force in tables 1.2 and 3.3 are erroneous and should be changed as shown below. The reason for the change is that the current numbers in the report are closer to "Programmed Manpower" instead of "Actual Military Present" in NATO Europe. The information in the adjusted table 1.2 is a summary of data provided by the Air Force Military Personnel Center at Randolph Air Force Base, Texas using the European Troop Strength System. These changes will require numerous other changes to aggregated numbers throughout the report. Also the number of military personnel should be changed from 94,000 to 93,000.

Table 1.2 (Adjusted) U.S. Military Presence in NATO Europe
by Country as of September 30, 1987

COUNTRY	OFCR	ENL	TOTAL
Belgium	326	1,544	1,870
Denmark	13	14	27
France	14	5	19
Greece	199	2,254	2,453
Greenland	42	181	223

Now on pp 44-45 and
75-79

Now on pp 46-47 and
80-83

See pp 5. 33. and 55

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Iceland	161	1,175	1,336
Italy	561	5,236	5,797
Luxembourg	0	0	0
Netherlands	271	2,314	2,585
Norway	35	87	122
Portugal	117	1,093	1,210
Spain	557	4,621	5,178
Turkey	375	3,129	3,504
United Kingdom	2,689	24,412	27,101
West Germany	5,596	35,734	41,330
Not Identified	<u>38</u>	<u>64</u>	<u>102</u>
Total	10,994	81,863	92,857

Table 3.3 (Adjusted) Air Force Organizations and Personnel
Assigned in NATO Europe As of September 30, 1987

<u>ORGANIZATION</u>	<u>TOTAL MILITARY</u>
U.S Air Forces in Europe	63,600
Air Force Communications Command	9,744
Military Airlift Command	7,987
Electronic Security Command	4,097
Air Force Elements/Air Force Elements Europe	2,587
Strategic Air Command	1,672
Tactical Air Command	1,248
Air Force Commissary Service	144
Office of Special Investigations	382
Air Force Information Service and News Center	287
Air Force Space Command	245
Air Force Logistics Command	64
Air Training Command	207
Air Force Intelligence Agency	74
Air Force Systems Command	49
Air Force Audit Agency	4
Legal Services Center	59
Air Force Technical Applications Center	53
Air University	20
Air Force Operational Test and Evaluation Center	4
Other	<u>330</u>
Total	92,857

FINDING N: Command Structure of U.S. Air Forces In Europe.
The GAO reported that, during peacetime, the U.S. Air Force Europe is operationally responsible to the Unified U.S.

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European Command, while administrative and support matters are under the control of the Air Force Chief of Staff. The GAO further reported that, in the event of war, U.S. Air Force Europe, forces are integrated under the control of the NATO Supreme Allied Commander. The GAO charted the command structure of U.S. Air Force Europe, including its three major subordinate commands (Seventeenth Air Force, Sembach Air Base, West Germany; Third Air Force, Royal Air Force Mildenhall, United Kingdom; and Sixteenth Air Force, Torrejon Air Base, Spain.) The GAO also tabulated the personnel assigned by command and country, as of September 30, 1987. (pp. 50-52/GAO Draft Report)

Now on pp. 47-50

DoD Response: Partially concur. The last two lines on page 50 of the report are incorrect. The Major NATO Commanders under which all NATO member nation forces are assigned are: the Supreme Allied Commander Atlantic, the Supreme Allied Commander Europe, and the Commander in Chief Channel and Southern North Sea. The U.S. Air Force Europe forces are placed under the operational command/control of the Supreme Allied Commander Europe (not "...nations under the operational command, control of NATO's Supreme Allied Commander Europe.")

See comment 1 and p. 47

FINDING O: Air Force Personnel Strength Has Increased Since 1981. The GAO reported that, since 1981, Air Force personnel levels have increased by about 21 percent. The GAO tabulated the staffing levels for 1987 compared to those of 1981 for military personnel, and against civilian personnel levels for 1980. The GAO observed that much of the increase in Air Force military staffing occurred before 1984, when the European Troop Ceiling was established. The GAO noted that, according to command officials, much of the increase was due to the Ground Launched Cruise Missile units. The GAO noted that the growth in civilians coincided with the imposition of the ceiling, and was attributed by command officials to civilian support for these missile units and to converting 472 military authorizations to civilian positions. (pp. 54-56/GAO Draft Report)

Now on pp. 50-52

See pp. 5, 33, and 55.

DoD Response: Concur. (See adjustments in the DoD response to Finding M.)

FINDING P: U.S. Air Force Budget Authority Has Increased. The GAO reported that, between FY 1985 and FY 1988, the Air Force budget authorization for operations and maintenance, military construction, other procurement, and various other accounts in Europe grew from about \$1.5 billion to \$2.0 billion. The GAO observed that the largest increase occurred in operation and maintenance, during the period FY 1981 and FY 1987. The GAO noted that U.S. Air Force Europe, officials explained these increases, as follows:

- for FY 1981, support for increases and replacement of

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tactical aircraft, improved chemical and biological defense, and a doubling of vehicles in war material storage;

- for FY 1987, two thirds of the increase over the 1986 level was required to offset inflation and foreign currency fluctuations. (pp. 48-49, pp. 56-59/GAO Draft Report)

DoD Position: Partially Concur. (There is the need for the corrections provided in the DoD responses to Finding C and Finding D.)

FINDING C: U.S. Navy and Marine Corps. The GAO reported that, as of September 30, 1987, the Navy and Marine Corps presence in NATO Europe totaled about 38,000 military and civilian shore-based personnel and the dependents. (The GAO noted that Sailors and Marines assigned to ships temporarily deployed to the Mediterranean and the Atlantic are not included in the count.) The GAO found that the U.S. Navy, Europe, has operational command and control and coordination over all naval forces in the European Command's geographic area. The GAO also found that 20 separate Navy commands provide common and specialized services, with the Navy shore-based forces consisting of about 13,000 sailors, 6,100 civilians employees, and 17,100 dependents in 13 different NATO countries. (The GAO listed the personnel assigned, by command.) The GAO further reported, that the Commander-in-Chief of Navy, Europe, has three principal commanders, as follows:

- Commander of Fleet Air, Mediterranean;
- Commander of Naval Activities, United Kingdom; and
- Commander of the Sixth Fleet

In Appendix V, the GAO charted these organizations, and listed the 20 Navy commands and operating activities with headquarters in the U.S. (pp. 61-66/GAO Draft Report).

DoD Response: Partially Concur. (Note the DoD responses to Finding B.) There follows corrected data for tables 1.2, 4.1, 4.2 and 4.3:

Table 1.2: (Adjusted) U.S. Military Presence in NATO Europe by Country and Organization (as of September 30, 1987)

NAVY			
COUNTRY	OFFICER	ENLISTED	TOTAL
Belgium	54	73	127
Denmark	7	14	21
France	10	1	11
Greece	35	495	530
Iceland	209	1513	1722

Now on pp. 46 and 52-55.

See comment 4 and pp. 5, 33, and 55

See comment 6

Now on pp. 56-59

See pp. 5, 33, and 62-63

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Italy	637	3836	4463
Netherlands	9	8	17
Norway	16	26	42
Portugal	42	354	396
Spain	459	3295	3754
Turkey	10	100	110
United Kingdom	421	1930	2351
West Germany	146	196	342
Total	2,055	11,831	13,886

Table 4.1: (Adjusted) U.S. Navy Presence by Country of Assignment
(as of September 30, 1987)

<u>COUNTRY</u>	<u>MILITARY</u>
Belgium	127
Denmark	21
France	11
Greece	530
Iceland	1,722
Italy	4,463
Netherlands	17
Norway	42
Portugal	396
Spain	3,754
Turkey	110
United Kingdom	2,351
West Germany	342
Total	13,886

Table 4.2: (Adjusted) Navy Organizations and Personnel
Assigned to NATO Europe (as of September 30, 1987)

<u>COUNTRY</u>	<u>MILITARY</u>
U.S. Navy, Europe	3,553
Commander-in-Chief, Atlantic Fleet	3,377
Naval Telecommunications Command	1,880
Central Operating and Program Support Division, Central Operating Activity	861
Naval Medical Command	713
Naval Supply Systems Command	124
Chief of Naval Operations	323
Naval Facilities Engineering Command	37
Naval Oceanography Command	153
Naval Intelligence Command	82
Naval Air Systems Command	29
Military Sealift Command	39
Chief of Naval Personnel	46
Chief of Naval Research	5
Deputy Under Secretary of the Navy	6
Naval Space and Warfare Command	1

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Naval Education and Training Command	20
Naval Sea Systems Command	5
Strategic Systems Program Office	2
Secretary of Defense/Joint Chiefs of Staff	4
Defense Communications Agency	21
Defense Intelligence Agency	32
Defense Inspector General	1
Defense Mapping Agency	4
Defense Logistics Agency	2
Other Activities	1,934
Commander-in-Chief, Pacific Fleet	631
Chief of Naval Reserve	1
Total	13,886

Table 4.3: (Adjusted) Military Staff Changes in Navy Command

COMMAND/ACTIVITY	MILITARY STAFFING 1987
Central Operating Activity	861
Chief of Naval Operations	323
Commander-in-Chief, Atlantic Fleet	3,377
U.S. Navy Europe	3,553
Naval Intelligence Command	82
Naval Medical Command	713
Naval Telecommunications Command	1,880

FINDING R: The Navy Has Expanded Operations In The Southern Region. The GAO reported that the Navy military and civilian personnel levels in NATO Europe generally increased between 1980 and 1987. The GAO found that much of the increase was allocated to expand operations in the NATO southern region. The GAO noted that the Navy also reoriented its command of ground-based personnel by decreasing the presence of military personnel assigned to the Commander-in-Chief, Atlantic, by 49 percent and increasing their presence in U.S. Navy, Europe, by 84 percent (as shown in table 4.3 of the draft report). The GAO noted that, according to U.S. Navy, Europe, officials, the FY 1986 and FY 1987 increases in its appropriated fund employees was needed to improve base operating support and physical security. (pp. 66-68/GAO Draft Report)

DoD Response: Concur.

FINDING S: Increase In Navy Budget Authority. The GAO reported that, since FY 1985, estimated Navy budget authority has grown from \$268 million to \$335.3 million by the end of FY 1987. The GAO found that the U.S. Navy, Europe, budget dominates total Navy funding, accounting for 53 percent of the total budget for the Navy NATO European operation. (In FY 1987, all but \$1.7 billion of the Navy budget for Europe was earmarked for operations and maintenance work). Concerning

Now on pp 59-60

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the significant U.S. Navy, Europe, FY 1987 budget increase, the GAO noted that, according to command officials, the increase was required to offset inflation and foreign currency costs. (pp. 68-69/GAO Draft Report)

DoD Response: Partially Concur. (Note corrections provided in the DoD responses to Finding D.)

FINDING T: U.S. Marine Corps. The GAO reported that the Marine Corps is present throughout NATO Europe, providing staff support to commands, security forces for U.S. Naval facilities, and

providing attaches and guards at U.S. embassy posts. The GAO also reported that, as of September 30, 1987, the Marine Corps had almost 1,200 military personnel and 800 dependents stationed in 14 countries in NATO Europe. (A GAO chart lists the Marine Corps assignments by country.) The GAO observed that the single Marine Corps command in Europe is located in Eastcote, a suburb of London. According to the GAO, it acts as a point of contact, as well as handling planning, for Marine Corps wartime commitments to Europe. (pp. 69-70/GAO Draft Report)

DoD Position: Partially Concur. (Note corrections provided in the DoD responses to Finding B.)

FINDING U: Other DoD Organizations Assigned to Europe Support the U.S. Military Presence. The GAO reported that, in addition to the Military Services, eight other DoD organizations support the U.S. military presence in NATO Europe. The GAO found that at the end of FY 1987, these organizations employed over 34,700 personnel in Europe. The GAO noted that the largest of these was the Army and Air Force Exchange Service (with over 24,200 personnel), followed by the DoD Dependent Schools (with approximately 9,100 employees). The GAO noted that six other Defense agencies comprised the remainder. The GAO found that, between 1985 and 1987, the Exchange Service had increased its personnel by 20 percent and the DoD Dependent Schools by 8 percent. (The GAO noted that cognizant officials stated that the increase in funding was necessary to offset inflation and foreign currency fluctuations.) The GAO also reported that, in addition, six Defense agencies maintained a presence in 12 NATO European countries, as follows:

- the Defense Courier Service;
- the Defense Communications Agency;
- the Office of the Inspector General, DoD;
- the Defense Intelligence Agency;
- the Defense Logistics Agency; and
- the Defense Mapping Agency.

Now on p 61

See pp 32 and 34

Now on pp 61-62

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Now on pp 64 67

The GAO listed personnel and budget authority for some, but not all, of these agencies. (pp. 71-76 GAO Draft Report)

See pp 5 and 33

DoD Response: Partially concur. (Note corrections provided in the DoD responses to Finding B.) In addition, on page 72, the second sentence below Table 5.1 would be more accurate if stated as follows:

See comment 1 and p 64

"...during this period. Approximately half of this increase is due to the AAFES Burger King program. Complete data on the number of U.S. dependents during this period was not available. As of April 1989, 15,431 family members were employed."

The last sentence before DEPARTMENT OF DEFENSE DEPENDENTS SCHOOLS SYSTEM, would be more clear if changed to read:

See comment 1 and p 65

"AAFES receives only limited appropriated funds, e.g., transportation of U.S. merchandise overseas and utilities."

The following are GAO's comments on DOD's letter dated June 20, 1989.

GAO Comments

1. We have incorporated the technical changes included in DOD's comments on the pages noted in the margins.
2. Examining such agreements was not within the scope of our review.
3. We agree that the \$8.2 billion does not represent the total amount required to station U.S. forces overseas and that additional costs such as training and research and development are incurred. The final report has been changed to reflect this agreement.
4. This discussion on methodology to determine increases in purchasing power has been removed from the report. Instead, we included historical and constant dollar changes as agreed with DOD.
5. Our draft report noted that there were 12 rather than 11 Army commands with forces stationed in NATO Europe and headquarters in the United States.
6. In discussions with DOD officials after we received these comments we agreed that 19 is the correct number of Navy commands—U.S. Navy, Europe, and 18 separate commands.

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